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International Student Satisfaction Measurement with Exchange Programs

Měření spokojenosti zahraničních studentu s výměnnými pobyty

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4. Research methodology
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Declaration of Independent Elaboration of a Master Thesis

I hereby confirm that I made the available dissertation independently and without use of others than idicated aids. All places, which literally or in general manner from published and not published sources were inferred, are marked as such. The work was never submitted to any examining authority in this or any similar form.

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Contents

1. Introduction

Internationalization influences many aspects of country policy. It is not only globalization of economy. Beside it, social and educational aspects become more global as European Union was established. This process became more faster after the Soviet Union Collapse. For many post-soviet union and developing countries the EU became as an Etalon of prosper economy, education and social life.

Educational system in European Union is one of the best in the world. Many students over the world found it attractive and it caused a “Brain stream” process. Many developing countries which choice were integration to European Union have set as a priority of their students' education in European universities. This is a strategy of developing and developed countries to be competitive in the world arena and guarantee of their future.

European commission formulated exchange programs to accelerate the integration process. Programs like ERASMUS+ and Horizon 2020 are great opportunities for EU and non-EU country students, scientists and researchers (we are going to look inside of these programs in the third part of thesis). These programs have big budget to support participants in their education. Looking deeply in the core of exchange programs, we need to answer the question: why students from all over the world are becoming participants of exchange programs? What are the real reasons?

Students coming from EU and non-EU countries have some common reasons to participate in exchange program. The most facing reasons are Academic, Culture and Country, Cost, Personal and professional life.

Higher education is especially important for international students from non-EU or developing countries. Education level of such countries in comparison with EU member states are poor and do not reflects the demand. Participation in exchange program in foreign country increases the knowledge of students deeply and widely. Going back to home universities they will share these knowledge and probably it will motivate other students too. Especially for non-EU countries students it will be great academic experience. Many of such students continue their academic career and contribute their knowledge to home universities.

Exchange programs are great opportunities almost for each student to travel, study in lovely cities or countries and to become familiar with different cultures. Cultural diversity in exchange programs are making students' life more attractive and interesting. They stand in the same level with academic interests of each student in education in abroad. Special events organizing by student communities like "Cultural nights" are aimed to increase the cultural diversity. Students can learn about culture of unfamiliar country without traveling to that country. Also travelling inside EU territory is very easy; like visit your relatives in neighbor city of resident country. Legislative terms is convenient to make a trip to any country in the EU.

Other reasons like professional and personal life have small impact on decision making for participating in exchange program, but we can observe these reasons mostly among the international students from non-EU countries. Better social life and career dreams are main motives for their education in abroad. But more important reason is cost of exchange program. Scholarship for exchange students solved this problem and students can focus on their study.

For international exchange students in Faculty of Economics at the Technical University of Ostrava each reasons above have had big impact when they were applying for study in this university. They had a lot of expectations related to reasons. If reality do not exceed their expectations, consequence is dissatisfaction. This is psychological expression which is chaining by nationalities. Some of them couldn't find what they expected at the Faculty of Economics and have cancelled their program.

There are many reasons of dissatisfaction like infrastructure at the faculty, teaching staff, administrative staff etc. But the reasons like Academic, Culture and Country, Costs, Personal and professional life were trigger for them to become an exchange student at the Faculty of Economics in the Technical University of Ostrava. So here is a question: Are they satisfied with being an exchange student at the Faculty of Economics?

Goal of this diploma thesis is to measure satisfaction level of international students at the Faculty of Economics within Exchange programs. According to responses from international students we are expecting to make a success table of the Faculty of

Economics for 2014-2016 academic years. We are going to assess which countries' students are satisfied with their experience at the Faculty of Economics and how many of them are willing to repeat their exchange program. Number of their willingness to repeat and willingness to recommend to other students, will help us to measure loyalty of international students. Also we are expecting to know which exchange program and which period do they are prefer to spend at the Faculty of Economics. By asking questions about source of information about study at the Faculty of Economics we will find the most and the least effective tool of promotion. We will get some metrics about level of participation program too. Feedbacks of international students about characteristics associated with Staff, Infrastructure and Study conditions is going to be main instrument to identify strong and weak characteristics at the Faculty of Economics. We will know which characteristic is improving and which one is failing in compare with previous statistic. Our last expectation by measuring satisfaction level is be helpful make better academic, administrative and infrastructural environment for international students at the Faculty of Economics in Ostrava.

2. Theoretical Issues of CSM

2.1 Definition of Satisfaction

The word satisfaction first appeared in English during the thirteenth century. The word satisfaction itself is derived from the Latin *satis* (meaning enough) and the Latin ending -*faction* (from the Latin *facere* – to do/make). Early usage centred on satisfaction being some sort of release from wrong doing. Later citings of the word emphasise satisfaction as a "release from uncertainty" (The Oxford Library of Words and Phrases, 1993). Modern usage of the word has tended to be much broader, and satisfaction is clearly related to other words such as satisfactory (adequate), satisfy (make pleased or contented) and satiation (enough).

According Richard L. Oliver (2010) formal definition of Satisfaction is the consumers' fulfillment response. It is a judgment that a product/service feature, or the product or service itself, provided (or is providing) a pleasurable level of consumption- related fulfillment, including levels of under or over fulfillment.

In recent times organizations of all types and sizes have increasingly come to understand the importance of customer satisfaction. For many organizations in the public sector customer satisfaction will itself be the measure of success. Customer satisfaction has therefore become the key operational goal for many organizations. They have invested heavily in improving performance in areas that make a strong contribution to customer satisfaction, such as quality and customer service. Loyalty schemes have proliferated in the retail sector and are now moving into the business sector. A worldwide Conference Board study of Chief Executive Officers (CEOs) of multinational corporations found that improving customer satisfaction and loyalty were among the top challenges facing their organizations (Briscoe, 2002). The reason for this is primarily financial, as firms that achieve high levels of customer satisfaction generally out-perform their competitors on a number of financial metrics. Research has found that higher satisfaction leads to increased cash flow, revenue growth, profitability, market share, and stock price (Anderson et al., 2004, Gruca and Rego, 2005, Homburg et al., 2005, Morgan and Rego, 2006 and Williams and Naumann, 2011). Not surprisingly, firms have invested substantial resources for increasing customer satisfaction, and as a result, the costs related to customer satisfaction account for the largest portion of their annual marketing budget (Wilson, 2002), and in addition, marketing-related business costs constitute approximately 50% of the total costs (Sheth and Sisodia, 1995a and Sheth and Sisodia, 1995b). But, high satisfaction brings many advantages, for example, customer oriented organizations can achieve high financial performance (Johnson, 2000).

Customer satisfaction is the state of mind that customers have about a company when their expectations have been met or exceeded over the lifetime of the product or service. The achievement of customer satisfaction leads to company loyalty and product repurchase. Satisfaction itself can refer to a number of different facts of the relationship with a customer. For example; satisfaction with product quality, price of product or service etc. (*Measuring and managing customer satisfaction*, National Business Research Institution). According to author Yi (1991) Satisfaction defined as a customer's process of perceiving and evaluating a consumption experience. Definition of Terry G. Vavra (2002) for Satisfaction is a customer's emotional response to his or her evaluation of the perceived discrepancy between his or her prior experience with and expectations of our product and organization and the actual experienced performance as perceived after interacting with our organization and consuming our product. We believe that customers' satisfaction will influence their future reactions toward our organization (Readiness to repurchase, willingness to recommend us, willingness to pay our price without haggling or seeking a lower-cost provider).

Customer satisfaction is in the customer's mind and may or may not conform with the reality of the situation. We know that people form attitudes quickly but change them only slowly. So customers may be wrong about your quality or your service, but it is on these unreliable perceptions that millions of purchase decisions are made every day.

Customer Satisfaction also depends on how efficiently it is managed and how promptly services are provided. This satisfaction could be related to various business aspects like marketing, product manufacturing, engineering, quality of products and services, responses customer's problems and queries, completion of project, post delivery services, complaint management etc.

But what is the result of all this effort and investment? How do we know if we are succeeding in satisfying, let alone delighting, our customers? Measuring customer satisfaction is important because it provides marketers and business owners with a metric that they can use to manage and improve their businesses. Companies now recognize that the new global economy has changed things forever. Increased competition, crowded markets with little product differentiation and years of continual sales growth followed by two decades of flattened sales curves have indicated to today's sharp competitors that their focus must change. In a survey *(Paul W. Farris, Neil T. Bendle, Phillip E. Pfeifer, David J. Reibstein, 2010)* of nearly 200 senior marketing managers, 71 percent responded that they found a customer satisfaction metric very useful in managing and monitoring their businesses. By customer satisfaction surveys it is possible build brand of company, update customers, measure results and in some exception situations make contact with important customers.

What about dissatisfaction? It is not necessary to provide separate definition of dissatisfaction. One need to substitute the word Unpleasant for pleasurable in the (dis)satisfaction definition offered here. Thus, displeasure of under fulfillment can be and typically is dissatisfying (Richard L. Oliver 2010).

Satisfaction is fundamental to the well-being of individual consumers, to the profits of firms supported through purchasing and patronization and to the stability of economic and political structures. All of these entities benefit from the provision and receipt of satisfying life outcomes, particularly in the marketplace (Richard L. Oliver 2010).

2.1.1 The Consumers perspective

Satisfaction can be likened to an individual pursuit, a goal to be attained from the consumption of products and the patronization of services. Few would disagree with the premise that consumers want to be satisfied (Richard L. Oliver 2010). Why? Here are 3 possible answers:

1. Satisfaction itself is a desirable end-state of consumption or patronization; it is a reinforcing, pleasurable experience
2. It obviates the need to take additional redress actions or to suffer the consequences of a bad decision

3. It reaffirms the consumers decision making prowess

In this letter sense, a satisfactory purchase is an achievement. It signals that the consumer has mastered the complexity of the market place. Of course not all purchases are achievements but they are instances of reinforcement that provide stability and serenity in the consumers' life.

2.1.2 The Industry Perspective

Entire industries including of course the firms making up individual industries, have long been a subject of scrutiny for their ill or benign effects on consumers. Generally, the government has relied on documented harm to determine the extent of consumer" satisfaction" (Richard L. Oliver 2010). Many laws, such as the Agricultural Meat Inspection Act, the Food, Drug and Cosmetics Act, the Fair Packaging and Labeling Act etc. are result of this process. Clearly, a consequence of consumer discontent directed at an industry is regulation and its attendant costs. Additionally, (taxation which is ultimately borne by consumer) is another likely consequence, as in the raising of cigarette taxes to offset smoking related health care costs.

2.1.3 The Firms Perspective

Firms exist in capitalistic societies to make a profit. If the firms' products were viewed as a one-time only purchase by consumers, if the level of performance were not subject to regulation and if only limited cross-communication channels were open to consumers, then customer satisfaction would be unimportant goal for the purely profit-oriented firm (Richard L. Oliver 2010). Few producers encounter these conditions. Most find that repeat purchasing is essential to a continued stream of profitability. Even for products with long purchase intervals (e.g., automobiles), satisfaction is important because of word of mouth and the activities of numerous watchdog organizations such as Consumers Union, that track reports of satisfaction over time.

2.1.4 The Societal perspective

Research on the quality of life suggests quite that satisfied members of society demonstrate better life outcomes whether in health social and mental adjustment of finances. While it is difficult to distinguish the direction of effect between favorable life outcomes and perceived quality of life, life satisfaction continues as a worthy goal for individuals in society and for governments desirous of reinstatement by constituents. The previously mentioned customer satisfaction indices, now expanded beyond products and services to public sector organizations is a step in the direction of monitoring broader arrays of satisfaction inducing elements in life.

2.2 Customer satisfaction measurement

Modern management science's philosophy considers customer satisfaction as a baseline standard of performance and a possible standard of excellence for any business organization (Gerson1993). Moreover, customer satisfaction measurement provides a sense of achievement and accomplishment for all employees involved in any stage of the customer service process. In this way, satisfaction measurement motivates people to perform and achieve higher levels of productivity Hill,1996, Wild 1977 and Wild,1980.
To reinforce customer orientation on a day-to-day basis, a growing number of companies choose customer satisfaction as their main performance indicator. It is almost impossible, however, to keep an entire company permanently motivated by a notion as abstract and intangible as customer satisfaction. Therefore, customer satisfaction must be translated into a number of measurable parameters directly linked to people's job-in other words factors that people can understand and influence (Deschamps and Nayak, 1995).

Customer satisfaction (according to a comprehensive review conducted by Yi (1993)) has been defined in two basic ways: as either an *outcome* or as a *process*. The outcome definitions characterize satisfaction as the end-state resulting from the consumption experience: the buyer's cognitive state of being adequately or inadequately rewarded for the sacrifices he has undergone (Howard and Sheth 1969, 145); an emotional response to the experiences provided by, associated with particular products or services purchased, retail outlets, or even molar patterns of behavior such as shopping and buyer behavior, as well as the overall marketplace (Westbrook and Reilly 1983, 256); an outcome of purchase and use resulting from the buyer's comparison of the rewards and the costs of the purchase in relation to the anticipated consequences (Churchill and Surprenant 1982, 493).

Alternatively, satisfaction has been considered as a process, emphasizing the perceptual, evaluate and psychological processes that contribute to satisfaction: an evaluation rendered that the experience was at least as good as it was supposed to be (Hunt 1977, 459); an evaluation that the chosen alternative is consistent with prior beliefs with respect to that alternative (Engel and Blackwell 1982, 501); the consumer's response to the evaluation of the perceived discrepancy between prior expectations and the actual performance of the product as perceived after its consumption (Tse and Wilton 1988, 204).

Yi observes that definitions have also varied with regard to their level of specificity. The various levels identified have included:

- Satisfaction with a product
- Satisfaction with a purchase decision experience
- Satisfaction with a performance attribute
- Satisfaction with a consumption experience
- Satisfaction with a store or institution
- Satisfaction with a pre-purchase experience

2.2.1 Customer Satisfaction Measurement models

Cardozo (1965) was one of the first marketing academics to investigate customer satisfaction. Cardozo's treatise borrowed heavily from social psychology. To help understand the impact of satisfaction on future buying behavior, Cardozo suggested the rather novel joint application of both Helson's "contrast effect" as well as Festinger's cognitive dissonance theory.

Cardozo speculated that dissonance would prevail in purchases of high involvement and substantial expended effort. This meant if customers had invested themselves in a product or service (either through their involvement with the product or by expending considerable effort to buy it or by paying a substantial price) they would actively work to reduce any difference between their actual experience with a product or service and their prior expectations. This suggests a generally more favorable outcome for the manufacturer, since the customer would conceivably increase her evaluations of experience or decrease her expectations (after the fact) to reduce the experinced dissonance between high expectations and low experience.

In purchases commanding little involvement, and requiring scant expended effort, Cardozo posited that contrast theory would operate, suggesting customers would be intolerant of much deviation of experienced satisfaction from their prior expectations. This situation is far less forgiving for the manufacturer.

Howard and Sheth (1969) in their model of consumer behavior laid important foundations for the process model of satisfaction, which was developing in paralell with their work on consumers' prepurchase and postpurchase reconciliation of information and feedback. Satisfaction was a variable included in their earliest models.

Richard Oliver (1977, 1980, 1981) initiated a focus on the antecedents of satisfaction, particularly the expectancy- disconfirmation sequence. Oliver used Helson's adaption theory to suggest that expectations fix a standart of performance, providing a frame of reference for cutomers' evaluative judgments. Satisfaction was then viewed as a function of the baseline effect of expectations, modifed by percieved disconfirmations.
Oliver established a process to describe how satisfaction is produced in this expectation-disconfirmation framework. Prior to purchase buyers form expectations of the product or service. Consumption of the product or service reveals a level of percieved quality (which can be influenced, itself by expectations). The percieved quality either positively confirms expectations or negatively disconfirms them. Expectation serve, in Oliver's model, as an anchor or baseline for satisfaction, the positive confirmation or negative disconfirmation either increasing or decreasing the customer's resulting satisfaction.

2.2 .2 Disconfirmation model

Disconfirmation is crucial to the satisfaction formation process, serving as an intervening variable between the exogenous variables, expectations and performance, and satisfaction (Churchill & Surprenant, 1982). Conceptually, disconfirmation arises from discrepancies between consumers' prior expectations and their perceptions of performance.

The magnitude of the disconfirmation effect then influences the degree of consumers' satisfaction or dissatisfaction (Churchill & Surprenant, 1982 and Oliver, 1981).

Disconfirmation has been conceptualized as subtractive (inferred) disconfirmation or subjective (perceived) disconfirmation (Swan & Trawick, 1981 and Tse & Wilton, 1988). In its subtractive form, disconfirmation is measured algebraically by computing the difference between the subject's evaluation of product performance and their evaluation of expectations. In its subjective form, disconfirmation is measured by asking subjects to perform a separate, subjective evaluation of the difference between product performance and expectations. Therefore, subjective disconfirmation takes into account the "set of psychological processes that may mediate perceived product performance discrepancies (Tse & Wilton, 1988, p. 205)." Oliver (1980) and Tse and Wilton (1988)argue that the ability of subjective disconfirmation to capture consumers' cognitive states resulting from their comparison of performance to expectations allows it to better reflect the complex process underlying consumer satisfaction

One unfortunate aspect of the use of the term discrepancy in the many fields in which it appears (and of disconfirmation, as it is more commonly called in consumers behavior) is that it carriers a negative connotation in the minds of individuals (Richard L. Oliver 2010). Phrases such as discrepant from and disconfirmed expectations usually imply a negative comparison, in that what was received is usually less than what was ordinary or expected. This is an important issue in consumer satisfaction, as negative discrepancies would appear to operate only as a tendency toward dissatisfaction.

2.2.3 State of Disconfirmation

Richard L. Oliver (2010) in his literature (*Satisfaction: A behavioral perspective on the consumer*) have formulated conditions that can give three states of positive, negative and zero disconfirmation in terms of valenced expectations and the occurrence of outcomes as shown below:

State of disconfirmation	Consumer's experience
Positive	Low-probability desirable events occur and/or high-probability undesirable events do not occur.
Zero	Low and high-probability events do or do not occur as expected.
Negative	High-probability desirable events do not occur and/or low-probability undesirable events occur.

Table 2.1: Types of disconfirmation. Adapted from Oliver (2010) (*Satisfaction: A behavioral perspective on the consumer*)

Negative Disconfirmation

Because the ordinary interpretation of disconfirmation is typically negative, discussion of the negative disconfirmation state will provide a familiar starting. Under the common interpretation of negative disconfirmation, performance falls short of expactations in an absolute sense. To illustrate, a student may expect a B in a course. Receiveing a C would be percieved as a negative disconfirmation by the student.

Positive Disconfirmation

Positive disconfirmation, where performance exceeds expectations, is subject to the same interpretation. As with the negative case, performance exceeding expectations is exemplified by the student in the preceding example receiving an A after expecting a B.

Zero Disconfirmation

Last, confirmation obtains when high-probability events occur and low-probability events do not. As noted previously, both desirable and undesirable events are equally confirmable if they occur as expected.

2.2.4 Shortcomings of Assimilation versus Contrast interpretations

Among the different models describing the influence of expectations on consumer satisfaction, or more generally of priming on judgment, the Assimilation–Contrast model (Sherif & Hovland, 1961) is based on discrepancy between the stimulus and the judge's internal standards.

Assimilation occurs in the case of relatively low discrepancies between the stimulus and the reference, that is, discrepancies which are within a latitude of acceptance with little conflict with the judge's standards (Hamelin, 2000 and Sherif et al, 1958). Assimilation results in rating the discrepant stimulus as if it were the expected one. \Briefly, research supporting the assimilation effect suggested that communicators sharing something in common with members of an audience (e.g., views, values, lifestyles) were frequently judged to be similar or "just like me" (Richard L. Oliver 2010). This perceived similarity facilitated communicator effectiveness, as the audience would assimilate the communicator's viewpoints into its own. Thus, the assimilation framework, like dissonance theory, emphases reluctance on an individual's part to acknowledge the discrepancies from a previously held position. It relies on individual's ability to explain away (rationalize) apparent discrepancies.

The contrast effect is quite the opposite. It has been described as a tendency to "exaggerate the discrepancy between one's own attitudes and the attitudes represented by opinion statements endorsed by other people with opposing views (Richard L. Oliver 2010). Contrast occurs when discrepancies between the stimulus and the judge's standards are high and the judge senses surprise or discomfort, which would lead to a rating shifting even further from the reference than it should objectively be (Hamelin, 2000 and Sherif et al, 1958) Thus, when exposed to a communicator or communication perceived as different, according to contrast theory, individuals will exaggerate the discrepancy, making it larger than it is in reality (Richard L. Oliver 2010). In effect, if contrast were applied to a consumption context, then poor performance would be worse than simply poor and good performance would be better than a rating of goods would suggest. Satisfaction researchers were, not unexpectedly, taken with this interpretation as it both complemented and contradicted assimilation theory.

2.3 Customer loyalty measurement

Customer loyalty is a complex construct due to the different coexisting perspectives in its conceptualization (Majumdar, 2005). The general definition of loyalty is a commitment to repurchase a preferred product or service in such a way as to promote its repeated purchase. Loyal customers repurchase from the same service suppliers whenever possible, recommend those suppliers, and maintain a positive attitude toward them (Kandampully & Suhartanto, 2000).

Gramer and Brown (2006) provide a definition of loyalty, namely the degree of the extent to which a consumer show repeat purchase behavior of a service provider, has a disposition or tendency of positive attitude toward service providers, and only consider using this service provider when there is a need to use this service. In conclusion, loyalty is a condition where the consumer will be devoted to re-purchase continuously. A loyal customer is not only a buyer who make repeat purchases, but also who maintains a positive attitude toward service providers.

Oliver (1999) defined loyalty as "a deeply held commitment to re-buy or re-patronize a preferred product/service consistently in the future, thereby causing repetitive same-brand or same brand-set purchasing, despite situational influences and marketing efforts having the potential to cause switching behavior" (p. 34). Loyalty also represents the intention to repurchase, the desire to recommend, a tolerance for a higher price, and the desire to purchase other products with (from) an institute (Chang & Fong, 2010).

According to the literature, two classes of loyalty exist (Baloglu, S., 2002 and Kumar, V., et al., 2006): behavioral and attitudinal. From the behavioral perspective, loyalty is a way of behaving. Repeated purchasing is a loyalty indicator

Under the attitudinal approach, loyalty is a personal attitude in that different emotions make up the loyalty of consumers toward a product, a service, or a retailer. Even if customers do not repeat the purchase but recommend the services of their suppliers to other customers, the attitudinal loyalty is clear (Kursunluoglu, 2011). This situation refers to the customers' preferences for a supplier, their intention to purchase, and their recommendation to third parties. Attitudinal loyalty does not guarantee that customers buy the products or services. However, word of mouth contributes to creating a positive image of the business. Behavioral loyalty is “a substantial element,” whereas attitudinal loyalty is “a psychological construct” (Cheng, 2011).

Customer loyalty has been shown to be a leading indicator of business performance metrics. Researchers have demonstrated a link between customer loyalty and financial success and growth. For example, Reichheld et al (1990) demonstrated that decreasing customer defections by 5 percent increases profits from 25 percent to 85 percent across a variety of industries. There are several objective measures of customer loyalty that show a relationship with financial performance:

- Number of referrals
- Word of mouth/word of mouse
- Purchase again
- Purchase additional products
- Increase purchase size
- Customer retention/defection rates

Customer loyalty, when measured through surveys, is typically assessed through the use of standart questions or items, mirroring the objective measured listed above. For each item, customers are asked to rate their level of affinity for, endorsement of, and approval of a company. The items usually ask for a rating that reflects the likelihood that the customer will exhibit future positive behaviors toward a company. According to Bob E. Hayes (2008), commonly used customer loyalty survey questions include the following items:

- Overall satisfaction
- Likelihood to choose again
- Likelihood to recommend
- Likelihood to continue purchasing the same products and services
- Likelihood to purchase additional products and services
- Likelihood to increase frequency of purchasing
- Likelihood to switch to a different provider

The first question is rated on scale (for example, 0= Extremely dissatisfied to 10= Extremely satisfied). The remaining questions allow respondents to indicate their likelihood of behaving in different ways toward the company (For example, 0= Not at all likely to 10= Extremely likely). Higher ratings reflect higher levels of customer loyalty.

Customer loyalty questions should appear at the start of the survey, before business attribute questions are presented. Presenting loyalty questions at the start of the survey ensures that responses to those loyalty questions reflect the respondents' general perceptions regarding their relationship with the company. When loyalty questions follow other business attribute questions, respondents' rating of the loyalty questions is affected.

3. Internationalization process on the Faculty of Economics

3.1 Definition of Internationalization

Over the last two decades there has been growing interest in the international operations of business companies. Academic activity in the areas has both stimulated and been stimulated by the many strands of concern-for example, the business firms themselves, with a concern to make such operations more effective and efficient in a more competitive global environments; governments, with a concern to ensure that the overall process has a positive effect on the national interest; and trade unions, with a concern about the impact on working conditions, wages and their own power (Peter J. Buckley and Pervez N. Ghauri 1999).

At the very outset it is difficult to discuss a "theory of internationalization" because even the term itself has not been clearly defined. Although widely used, the term "internationalization" needs clarification. It tends to be used roughly to describe the outward movement in an individual firms or larger grouping international operations. As a starting point this common usage could be broadened further to give the following definition: "the process of increasing involvement in the international operations". An important reason for adopting a broader concept of internationalization is that both sides of the process, i.e. both inward and outward, have become more closely linked in the dynamics of international trade (Peter J. Buckley and Pervez N. Ghauri 1999).

Although, there have a necessity to make clear difference between Globalization and Internationalization as they are mistakenly putting into one level in the meaning. Globalization, considered by many to be the inevitable wave of the future, is frequently confused with internationalization, but is in fact something totally different. Internationalization refers to the increasing importance of international trade, international relations, treaties, alliances, education etc.,(Herman E. Daly 1999). Inter-national, of course, means between or among nations. The basic unit remains the nation, even as relations among nations become increasingly necessary and important. Globalization refers to global economic integration of many formerly national economies into one global economy, mainly by free trade and free capital mobility, but also by easy or uncontrolled migration. It is the effective erasure of national boundaries for economic purposes (Herman

E. Daly 1999). Van der Wende (2001) refers to internationalization as the “process of increasing cooperation between states or to activities across state borders” (as cited in Powar, 2013). This description is important in that it emphasizes the dissimilarity between globalization and internationalization from the standpoint of the manner in which each views the role of nation-states.

Globalization refers to the increasing integration and interdependence of groups as a result of cross exchange between them (Houghton & Sheehan, 2000).

From a historical point of view, internationalization of business started simultaneously along with mankind´s ability to travel across the seas and overcome borders and the term itself can be interpreted and defined through many perspectives and viewpoints (Internationalization Process of SMEs: Strategies and Methods, Mohibul Islam Masum Alejandra Fernandez, June 2008, p. 11.). For over 20 years now, the definition of internationalization has been the subject of much discourse. Internationalization is not a new term. The term has been used for centuries in political science and governmental relations, but its popularity in the education sector has really only soared since the early 1980s. Prior to this time, international education was the favored term and still is in some countries. In the 1990s, the discussion on using the term international education centered on differentiating it from comparative education, global education, and multicultural education. Today, in the first decade of the 21st century, another set of related terms is emerging that includes transnational education, borderless education, and cross-border education. A challenging part of developing a definition in this trend is taking into account its application to many different countries, cultures, and education systems. This is no easy task. At issue is not developing a universal definition but rather ensuring that the meaning is appropriate for a broad range of contexts and countries of the world. Thus it is important that a definition does not specify the rationales, benefits, outcomes, actors, activities, or stakeholders of internationalization as these elements vary across nations and from institution to institution. The critical point is that the international dimension relates to all aspects of education and the role that it plays in society. With this in mind the following working definition is proposed*:* Internationalization at the national, sector, and institutional levels is defined as the process of integrating an international, intercultural, or global dimension into the purpose, functions or delivery of postsecondary education (Jane Knight, 2003).

In an oft-cited definition of internationalization of higher education, Knight (1993, p. 21) states: “Internationalization is the process of integrating an international or intercultural dimension into the teaching, research, and service functions of an institution of higher learning”.iv In a similar process-oriented definition, Altbach, Reisberg, & Rumbley (2009, p. 23) note: “internationalization refers to specific policies and programs undertaken by governments, academic systems and institutions, and even individual departments”

3.2 Reasons for Internationalization

Today more and more firms operate internationally and in some cases even globally. In almost all major economies of the world, the significance of domestic and/or foreign-based transnational corporations is increasing. Such corporations, directly or indirectly, account for a large part of world trade in goods and services (cf. Nilsson, Dicken 1996 p.1). Often the main reason for internationalization is stated as the need of companies to be able to stay competitive in their respective environment. This theoretical approach is often referred to as the "network approach". The theory examines the process of internationalization by applying a network perspective (cf. Johanson & Vahlne, 1990). Internationalization is defined as developing networks of business relationships in other countries through extension, penetration and integration (Johanson & Mattsson 1988). Extension refers to investments in networks that are new to the firm, whereas penetration means developing positions and increasing resource commitments in networks which the firm already is involved with. Integration can be understood as the co-ordination of different national networks.

We discussed what is internationalization and its difference from Globalization. But do we know how do it work? To answer this simple question we need look at reasons for internationalization from three aspects*:* Economical, Political and Educational.

3.2.1 Economical reason for Internationalization

Welch and Luostarinen (1988) define internationalization as “the process of increasing involvement in international operations”. Another definition given by Calof and Beamish (1995) says internationalization is “the process of adapting firms’ operations (strategy, structure, resources) to international environments”. Based on dictionary definitions it can be generalized that the internationalization is the process of planning, designing and implementing products and services so that they can easily be adapted to specific local demand, languages and cultures.

This is a machine which improves Economy of countries. It reflects on the goals of transnational and small companies’ policy. The best explanation for Economic reasons is an article by Professor Julio Cerviño, Codirector of the Master in International Management (MADI – Master en Dirección Internacional de la Empresa).

The international marketplace offers a world of business opportunities for all types of companies, either large or SME (Small and Medium Enterprises). The goals could be either to sell or source products worldwide. Not only can you tap into a world marketplace of 7 billion people, but according to academic research, companies that do international business grow faster, fail less and become more competitive than companies that don’t. Management needs to have a desire and commitment to develop and build business in international markets as a guarantee of company survival.

However, a few of the more wide spread reasons to internationalize are the following:

1. Increase sales and profits
2. Short and long term security
3. Increase innovation and management learning
4. Economies of scale
5. Competitive Strike

Above are some of the good reasons to go global, among other many that a company can have: following local customers, extended product life cycle, searching for raw materials or other inputs, delocalization in order to reduce production costs, saturation of the local market, etc.

A strategic decision once the company decides to internationalize will be the approach to entering the international market. Different circumstances will be prevalent in different markets and for different companies. In all cases it is strongly advised to undertake serious thought and much preparation. Research foreign property and understand the customer culture of your overseas operations. This analysis and research will provide the company with the adequate information to make sound entry decisions and to implement a sound marketing mix strategy in the new international scenario.

3.2.2 Political reason for Internationalization

By the passing years it became very important tool for actors and politicians in world theatre. Capital mobility like investment in foreign country, debts and government expenditures of countries sometimes depends on decision of politicians or policy of country.

"Internationalization and Domestic Politics" book, edited by Robert O. K. and Helen V. MILNER is great combination from opinions of different authors about political reason for internationalization. Frieden and Rogowski devote some attention in their chapter to the source of internationalization. This volume as a whole, however, focuses not on the causes of internationalization but on its effects. Internationalization affects the aggregate welfare of countries, their sensitivity and vulnerability to external changes, and therefore the constraints and opportunities faced by governments. As incentives change through internationalization, we expect to observe changes in economic policies and in political institutions. Possible changes include the liberalization of foreign trade and investment policies, the deregulation of domestic markets, shifts in fiscal and monetary policies, and changes in the institutions designed to affect these policies. Political Institutions reflect domestic actors' policy preferences, since they are intentionally created to guarantee the pursuit of particular policies. But they also have independent effects: they create rules for decision making, help to structure agendas, and offer advantages to certain groups while disadvantaging others. Over time, strong institutions may even shape actors' policy preferences. Since institutions have effects, people have preferences about institutions as well as about policies; and these preferences will be linked. If an independent

agency seems less likely to provide tariff protection than the legislature, free traders should favor appointment of the agency while protectionists should oppose it.

The central explanatory variable throughout this volume is internationalization, which involves an exogenous reduction in the costs of international transactions that can be empirically measured by the growth in the proportions of international economic flows relative to domestic ones. We recognize throughout, however, that the effects of internationalization are mediated through domestic political institutions. The dependent variables are twofold:

1. The policy preferences of relevant socioeconomic and political agents within countries toward national policies and national policy-making institutions, as reflected in their political behavior; and
2. National policies and national policy institutions themselves.

3.2.3 Educational reason for Internationalization

The term "internationalization" covers different things, and includes different dimensions, with varied stresses at different levels of higher education (Yang, 2002, p. 72). The definition of internationalization of higher education varies and depends on the stakeholder groups, government, private sector, institution, faculty member, academic discipline, and student. These differing perspectives result in several reasons for many program approaches to internationalization of higher education (Trilokekar, 2007). Guruz (2008) pins the beginning of internationalization of higher education on the imperative role of the English language as medium of instruction in homogenizing curriculum in natural sciences, engineering and medicine in non-communist countries in the first half of the twentieth century. The concept of internationalization of higher education was modelled in the wake of the United Nations' avowed interest in higher education. The Organization's patronage of higher education as an item of global priority was decisive in conflating manifold ideas of internationalization of higher education into the theoretical entity we understand it today. "Collection and analysis of comparative educational data increased, which allowed international comparisons to be made and conclusions to be drawn thereof. Higher education started to be viewed from an international perspective when formulating and implementing national policies" (as cited Guruz, 2008, p. 137). A commonly accepted definition in this study is: Internationalization of higher education is the process of integrating an international/intercultural dimension into the teaching, research and service elements of an institution (Jane Knight & International Association of Universities, 2006).

According to a general classification, the reasons for internationalization can be summed up in three political, economic and cultural fields. In today's world politically education especially the higher education considered as the fourth aspect of the foreign policy (Air, 1992). Historically, international education was seen as a beneficial tool for foreign policy especially with respect to national security and peach among nations. Especially higher education is often considered as a form of diplomatic investment for future political and economic relations. For example, scholarships for foreign students who are seen as promising future leaders are considered to be effective way of developing an understanding of and perhaps affinity for the sponsoring country. This affinity may prove to be beneficial in future years in terms of diplomatic or business relations. (Knight, 1997, p. 9) Culturally, the most important goal for internationalization of the higher education is to extend the values and principles of the national culture of the countries to the world community. (De wit, 2002). And, economically, international higher education is the main source of both short-term and long-term income in different countries. In general, universities are considered as the main measure of progress in a country and provide the basis for the dynamic competition of a country in the region and in the world. Thus, strengthening the international aspect of higher education is the strengthening of a country in the regional and international competitions too.

3.2.4 Different rationales for Internationalization of Higher Education

There are various reasons for arguing that internationalization will become increasingly important in the higher education sector according to Zha Qiang (Ontario Institute for Studies in Education, University of Toronto, Canada 2003). First, there are two widely recognized arguments, which have so far served as main driving forces for internationalization. Academic and professional requirements for graduates increasingly reflect the demands of the globalization of societies, economy and labor markets and thus higher education must provide an adequate preparation for that. These requirements include not only academic and professional knowledge, but also multilingualism, and social and intercultural skills and attitudes. The level of specialization in research and the size of the investments that are indispensable to certain fields of research and development require collaborative efforts and intensive international cooperation.

Second, the following two developments are increasingly influencing the international dimension of higher education:

1. The recruitment of foreign students has become a significant factor for institutional income and of national economic interest.
2. The use of new information and communication technologies in the delivery of education and the involvement of private actors in this mean that national borders and the role of national governments in education become blurred.

These reasons demonstrate the fact that higher education has now become a real part of the globalization process: the cross-border matching of supply and demand. Consequently, higher education can no longer be viewed in a strictly national context. This calls for a broader definition of internationalization, which embraces the entire functioning of higher education and not merely a dimension or aspect of it, or the actions of some individuals which are part of it.

Aigner et al (1992) suggest that there are three major reasons for the internationalization of higher education: 1. interest in international security; 2. maintenance of economic competitiveness; and 3. fostering of human understanding across nations. Aigner et al point out that these are not absolute or mutually exclusive reasons for internationalization and that they differ greatly in content and emphasis.

Scott (1992) identifies seven imperatives for global education. They include economic competitiveness, environmental interdependence, increasing ethnic and religious diversity of local communities, the reality that many citizens work for foreign-owned firms, the influence of international trade on small business, the fact that college graduates will supervise or be supervised by people of different racial and ethnic groups from their own, and national security and peaceful relations between nations.

According to Johnston & Edelstein (1993), the dominant argument for internationalizing higher education is that it will ensure the nation's economic competitiveness. They have, however, acknowledged that while this argument has considerable force, it also has limitations as the very notion of international competition may be losing its meaning. The dissociation of businesses from their home countries is increasingly common as domestic enterprises evolve into international, then multinational, and then global ones.

Internationalization of higher education is seen as one of the ways a country responds to the impact of globalization, yet at the same time respects the individuality of the nation. While the various meanings attached to the term internationalization illustrate its complexity and richness as a concept, it is clear that the key element in the term is the notion of between or among nations and cultural identities. A country's unique history, indigenous culture(s), resources, priorities, etc. shape its response to and relationships with other countries. Thus national identity and culture are key to internationalization of higher education *(*Zha Qiang, 2003).

3.3 EU programs and Agreements for Internationalization

Internationalization is becoming one of the main priorities of universities not only in Europe, but also worldwide. In todays' internationalized area of higher education, many authors have focused on researching Higher Education Institution (HEI) quality based on the necessity of gaining a competitive advantage (Aldridge & Rowley, 1998; Athiyaman, 1997; Moogan et al., 2001; Oldfield & Baron, 2000).

Europe is not a closed shop — particularly when it comes to education, training and youth policy (http://europa.eu/pol/index_en.htm).

• The EU supports cooperation around the world aiming at the development and modernization of higher education institutions in the partner countries. Partner institutions can be chosen in EU neighbouring countries, the western Balkans and Russia as well as regions in Asia, Latin America and Africa.

• The EU supports cooperation projects between youth organizations worldwide. These projects aim to improve the quality and recognition of youth work, volunteering, youth exchanges and other non-formal learning activities in different regions of the world.

• The Jean Monnet program encourages teaching, research and reflection on European integration worldwide. Between 1990 and 2011, the Jean Monnet program helped to set up approximately 3 700 projects in the field of European integration studies, including 165 Jean Monnet European Centre of Excellence, around 880 university chairs and almost 2 200 permanent courses and European modules. The program now operates in 72 countries throughout the world.

In 2010 European Commission launched its far-reaching initiative, "Europe 2020", which European Commission President Jose Manuel Barroso described as "the EU's growth strategy for the coming decade". He said, "In a changing world, we want the EU to become a smart, sustainable, and inclusive economy. These three mutually reinforcing priorities should help the EU and the member states deliver high levels of employment, productivity and social cohesion". The European Union set five ambitious objectives with Europe 2020-on employment, innovation, education, social inclusion and climate/energy-all to be reached by 2020 and each member state adopted their own national targets in each of these objectives.

But why is Europe 2020 important to the realm of higher education and research? How does it affect students, researchers and administrators in universities and research institutions in Europe and all over the world? The answer is simple: education, science and research have special role to play within the Europe 2020 strategy.

3.3.1 Horizon 2020

Horizon 2020 is the biggest EU Research and Innovation program ever with nearly €80 billion of funding available over 7 years (2014 to 2020) – in addition to the private investment that this money will attract. It promises more breakthroughs, discoveries and world-firsts by taking great ideas from the lab to the market

Seen as a means to drive economic growth and create jobs, Horizon 2020 has the political backing of Europe's leaders and the Members of the European Parliament. They agreed that research is an investment in our future and so put it at the heart of the EU's blueprint for smart, sustainable and inclusive growth and jobs.

In the article by Nina Lemmens (2014, *European Internationalization Strategies*) goal of Horizon 2020 is given as to ensure Europe produces world-class science, removes barriers to innovation and makes it easier for the public and private sectors to work together in delivering innovation.

Under the target "Smart growth" the Flagship Initiative "Innovative Union" is of special interest for academics all over the world, because here we can find the magical words "Horizon 2020" – this program being the financial instruments implementing the Innovation Union. Horizon 2020 had very prominent predecessors- the seven so-called Framwork Programs (FP). But Horizon 2020 exceeds them all: With a budget of 80 billion euro for the seven year period from 2014 to 2020, the new framework program boasts an increase of 27 % compared to FP7. This is not the only new aspect: Horizon 2020 focuses more strongly on the current market and relies more heavily on collaboration between science and industry.

<table>
<tr><td rowspan="5">Public Private Partnerships (P2B)</td><td colspan="4">Horizon 2020</td><td rowspan="5">Public Public Partnerships (P2P)</td></tr>
<tr><td rowspan="4">Part1 Excellent Science</td><td rowspan="4">Part2 Industrial Leadership</td><td rowspan="4">Part3 Societal Changes</td><td>Part 3A Widening Participation</td></tr>
<tr><td>Part 3B Science for Society</td></tr>
<tr><td>Part4 Joint Research Center</td></tr>
<tr><td>Part5 European Institute for Innovation and Technology</td></tr>
</table>

Table 3.1: EU-Research and Innovation 2014-2020. Adapted from *European Internationalization Strategies,* Lemmens, N (2014)

Horizon 2020 offers a number of different funding streams and is basically divided in five parts (Table 3.1), three of which cover the innovation process from idea to product: scoping for science-driven (basic) research in “Excellent Science”; enhancing of economic competitiveness in “Industrial Leadership”, tackling of the pressing issues for the European citizen in “Societal Challenges”.

For the first time, this framework program brings together three formerly different initiatives: the old Research Framework Program (FP7), the innovation aspects of the Competitiveness and Innovations Framework Program (CIP), and the EU contribution to the European Institute of Innovation and Technology (EIT). The Horizon 2020 budget including the Joint Research Council (JRC, Part 4) and the European Institution for Innovation and Technology (EIT, part 5) as well as the accompanying funding measures such as the Private Public Partnership (P2B) or Public Public Partnership (P2P), is distributed as shown in the Figure 5.

3.3.2 ERASMUS+

In view of the key role of education for the future well-being of citizens, nations and Europe as a whole, the EU has developed an ambitious program: Erasmus+ (http://europa.eu/pol/index_en.htm). The program aims to boost people’s personal development and job prospects. It supports all sectors of education and training, as well as non-formal learning for youth, volunteering and grassroots sport. It replaces several previous programs, with streamlined and simplified application rules and procedures.

Since 1987, more than 3 million higher education students have benefited from Erasmus grants. Erasmus+ has increased EU funding significantly. It aims to support another 4 million young people, students and adults between 2014 and 2020 to gain experience and skills by studying, training, taking part in youth exchanges or volunteering abroad. It also significantly increases opportunities for cooperation between education institutions or youth organizations as well as between the worlds of education and work.

The EU is investing €14.7 billion (Table 3.2) in Erasmus+, the EU program for education, training, youth and sport for 2014–20. Erasmus+ seeks to boost the job prospects and the personal development of young people. It helps our education, training and youth systems deliver teaching, learning and youth activities that gives people the skills they need in today's and tomorrow's labor market and society. Erasmus+ has three key actions:

• Key Action 1 — Learning mobility: support for studying, working, taking part in youth activities, teaching, training or developing professional and personal skills and competences abroad.

• Key Action 2 — Cooperation and partnership: opportunities for collaborative partnerships between education, training and youth organizations, as well as between the worlds of education and work.

• Key Action 3 — Policy reform: supports the processes of reflection, dialogue and evidence-building needed to deliver reform in education, training and youth policies and systems.

Overall budget	14.7 euro Additional funds will be allocated for funding the actions with third countries (partner countries)
Overall mobility opportunities	More than 4 million people
Higher education	Around 2 million students
Vocational education and training students	Around 650 000 students and apprentices
Staff mobility	Around 800 000 lecturers, teachers, trainers, education staff and youth workers
Volunteer and youth exchange schemes	More than 500 000 young people
Master's degree loan guarantee scheme	Around 200 000 students
Joint master's degrees	More than 25 000 students
Strategic partnerships	Around 25 000 strategic partnerships linking together 125 000 schools, vocational education and training institutions, higher and adult education institutions, youth organizations and enterprises
Knowledge Alliances	More than 150 knowledge Alliances set up by 1500 higher education institutions and enterprises
Sector skills Alliances	More than 150 sector skills alliances set up by 2000 vocational education and training providers and enterprises

Table 3.2: Erasmus+ Key figures for 2014-2020. Adapted from Luxembourg: Publications Office of the European Union, 2014. ISBN 978-92-79-42096-2 doi:10.2775/5364

3.4 Exchange Programs at the Faculty of Economics

3.4.1 History of the Faculty of Economics

The Faculty of Economics was founded in 1977 and today it has approximately 5,200 students and is the biggest faculty of the University. Tuition at the Faculty is provided by 220 lecturers in addition to numerous external teachers and experts employed in industry, commerce and the public sector. The Faculty of Economics offers a wide range of degree programs – including Bachelor's, Master's and doctoral degrees – on a daily basis from the fields of economics, management, economic policy and administration, informatics and systems engineering. The Faculty also organizes a number of short-term and long-term courses of lifelong education for companies, institutions and individuals. Graduates of the Faculty of Economics go on to make careers in companies, public administration, Banking and individual business activity.

The international focus of the Faculty allows tuition to keep up to date with the latest developments in economic theory and managerial practice. Current academic knowledge from the Czech Republic and around the world is fully applied in the Faculty's programs, as is a wide range of experience of global world economic development. In conjunction with Liverpool John Mores University, the Faculty offers prestigious three-year MBA studies.

Teaching and research activities are carried out by means of fifteen departments: Economics, Management, Marketing and Business, Accounting, Regional Economics, Law, European Integration, Mathematical Methods in Economics, Business Administration, Public Economics, Finance, Applied Informatics, Systems Engineering, National Economics, Economics Journalism and the Institute of Doctoral and Managerial Studies. The Faculty also includes the International Office and the Computer Unit.

The Faculty of Economics works intensively to expand its range of courses in foreign languages available to both local and foreign students. International students can choose not only individual courses but also complete degree programs. The Bachelor's degree programs last three years, Master's programs last two years, and doctoral studies last from three to six years. (Bachelor's and Master's degree programs are offered in English, all doctoral study programs are in English, while Business and Management, Systems Engineering and Informatics are also in German.) International students use language advantage through Erasmus+, Erasmus Mundus, Bilateral agreements and being a Free-mover at the Faculty of Economics.

3.4.2 ERASMUS program at the Faculty of Economics

ERASMUS program represents the most important part of long-term foreign operations of Economics faculty. The number of foreign trips of students compared to last year, unfortunately, decrease. As far as the Erasmus program traveled abroad for three decades fewer students, ten fewer students then traveled beyond this program. In relationship the total number of students at the faculty was not mentioned decline in student mobility. As shown in Table 3.3 in the academic year 2013/2014 resided abroad ERASMUS 67 students in the winter semester of the academic year 2014/2015 then 40 students.

Period	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	2014/15
Erasmus Erasmus+	50	51	58	51	62	79	97	67	40
Other grants and bilateral Agreement	13	15	17	20	14	23	35	25	9
Total	**63**	**66**	**75**	**71**	**76**	**102**	**132**	**92**	**49**

Table 3.3: The numbers of students studying abroad, according to sources of funding. Adapted from http://www.ekf.vsb.cz/export/sites/ekf/cs/o-fakulte/rozvoj/vyrocni-zpravy/dokumenty/VZ_EkF_2014.pdf

The most active student trips abroad in 2014 were in fields Marketing and Sales, Accounting and Tax. In the field of Economics Enterprise with a significant number of students were international student mobility lower number outgoing PhD unfortunately stagnated (Table 1, Appendix A). In terms of territorial distribution of students trips as shown in Table 2, Appendix B, the most popular were Belgium (18 trips), which was closely followed Germany and Great Britain (with 12 trips), Spain (11) and Finland (8). Against the previous year interest in trips to Asian countries have decreased.

The total number of foreign students at the university in the academic year 2013/2014 again increased significantly, whereas traditionally the largest group of incoming students are staying at the faculty ERASMUS program. From Table 3.4 is clear that if e.g. in the 2008/2009 academic year studying at the faculty of this program 40 students, in the academic year 2013/2014 it was already more than doubled. The number of self-funded significantly increased and reached the number of 52 students, due to the arrival of other students from China who boarded the bachelor degree program of Finance, so the existing Chinese students continuing their studies master's program of the same field.

Turning to the geographical structure of incoming students in 2014 (Table 3, Appendix C) the largest group of students were being from China (100), followed by students from Spain (36 students), Korea (14) Turkey (13), Poland (10), France (7) and Taiwan (6). Compared to 2013, the faculty did not cause Students from Romania, Luxembourg, Switzerland, Hungary, Kazakhstan and Japan.

Conversely, newly arrived students from Azerbaijan, Belarus, Georgia and Ukraine, and for thanks Faculty involvement in the project Erasmus Mundus Infinity. Further information on the case submitted in Appendix C (Table 3).

Period	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	2013/14	ZS 2014/15
Erasmus	26	46	40	61	62	48	70	82	58
Other grants and bilateral Agreement	5	5	9	15	14	15	20	31	11
Self-payers	0	1	2	3	2	19	37	52	49
Total	**31**	**52**	**51**	**79**	**78**	**82**	**127**	**165**	**118**

Table 3.4: Numbers of foreign students according to funding sources. Adapted from http://www.ekf.vsb.cz/export/sites/ekf/cs/o-fakulte/rozvoj/vyrocni-zpravy/dokumenty/VZ_EkF_2014.pdf

3.4.3 Bilateral agreements on cooperation with foreign partners

The Faculty has concluded bilateral cooperation agreements with 36 universities or their components. Compared with the previous period, the number of these contracts once again increased slightly since within strategy of deepening and expanding cooperation with Asian partners was recently closed cooperation agreement with the University of Institut Teknologi Sepuluh Nopember (ITS) Surabaya in Indonesia. Further been strengthened contacts with universities in Japan (Bunri University of Hospitality, Kyushu University), whose representatives attended the 5^{th} International Week.

Recently, it has been validated and launched an MBA program in Executive Leadership teaching in English language, sponsored by Britain's Liverpool John Moores University, then continue along the 60 the University of Huddersfield undergraduate program implemented by the European Business double-degree. In the academic year 2013/2014 the British public university have studied 6 students of the Faculty of Economics, currently studying at Huddersfield 4 students.

Continues successful cooperation with Chinese Hubei University of Technology (HUT), based in Wuhan (Hubei Province) and was to conclude a new agreement on cooperation on this the next 5 years. In the academic year 2014/2015 and at the Faculty of Economics VŠB TU Ostrava studying in the third year of a bachelor's degree in Finance 18 Chinese students in first year master's degree in the same field and 14 students in the 2nd year master's degree in this field 15 students.

4. Research Methodology

4.1 Research strategy

Survey was established to enforce this research. This is one of the most effective way in gathering data and in investigating customer satisfaction. It is easy and less costly way to get feedback from customers. Gathered data's can be used in research methods of Naresh K. Malhotra (2012) and Bob E. Hayes (2008) loyalty measurement methods. Survey is will be very helpful to identify the discrepancies in Disconfirmation model which is based on psychological aspects of customers. As it is obvious Survey is significant strategy to collect the best reliable data to measure Satisfaction level of International students at the Faculty of Economics. At least, with all advantages above Survey became the right strategy for collecting data.

4.2 Research method

Questionnaire is the most popular and common method in survey. According to characteristics above questionnaire was chosen as a survey method. It was distributed in person and through social networks. This is very good way to collect data in short time schedule and economically proper. However, questionnaires allow to ask limited number of questions which might be considered a disadvantage (Saunders et al., 2012). Another drawback is limited response rate or missing data due to half-complete questionnaire (Maylor & Blackmon, 2005).

The data collection did not take so much time. The reason was distribution and collection of questionnaire in person way. Firstly, questionnaires were given to international students to fill in 10 minutes before start of lessons at the Faculty of Economics after managing meeting with teachers of international students. This was a big advantage to win in time. Secondly, `questionnaire have been sent to Facebook mail boxes of past international students since 2014. Facebook was effectively than email address. Because international students are always active there and it is very easy to get in touch. At the last, result of these distribution methods were 70 full-completed questionnaire.

As next, data from gathered questionnaires were put and examined in IBM SPSS Statistics. Preliminary analyses have shown some basic characteristics and profiles of respondents, on which then deeper analysis was made using several statistic techniques, such as one compare means and correlation.

4.3 Design of questionnaire

There are two types of questions in the questionnaire, rating scale and one answer choice. Both types of questions are together 28 in total. Questionnaire is divided into 3 parts. In the first part is concerned to obtain information about population samples like source of information about study at the Faculty of Economics, participated or current exchange program of international students, length of study, level of degree, gender and country of origin. The second part questions is rating scale from 1 to 7. It rates the satisfaction level of International students associated with quality characteristics of staff, study conditions and infrastructure of Economics faculty. Except questions about characteristics, there are total rating scale questions for each category (staff, study conditions infrastructure) and general rating scale question covering all characteristics and category. By this way we suppose to make satisfaction pyramid from general satisfaction level till satisfaction level of characteristics. In the third part there are questions regarding to loyalty of international students.

4.4 Sampling Method

When conducting a customer satisfaction survey, we typically cannot administer the survey to the entire customer base. We may not have the financial resources, or we may need the results of the survey immediately, which would preclude the time-consuming task measuring all customers' attitudes. In these and other cases we administer the customer survey to a smaller set of customers, a sample.

The process of selecting a sample from the larger population is referred to as "sampling" (Bob E. Hayes, 2008). A major goal in sampling is to ensure that the results of the client satisfaction questionnaire are representative of the larger population of customers. In this investigation author have used probability sampling method.

4.4.1 Types of sampling

According to Bob E. Hayes (2008) there are three types of sampling have been explored: Census, Judgment and Statistical.

One approach to sampling is to gather information from all customers. This is referred to as census sampling, essentially sampling all possible cases in our population. A census approach can be used in various circumstances when, due to the nature of the product, a company might want input from all of its customers. For example, the manufacturer of a new and specialized surgical device might want feedback from all the surgeons who use its product. The major drawback to using census sampling is the high cost associated with measuring all cases in the population.

Judgmental sampling is a form of convenience sampling in which the population elements are selected based on the judgment of the researcher (Naresh K. Malhotra 2012). In judgmental sampling, the decision about which cases from the population to include in the sample is solely at the discretion of the person conducting the sampling procedure. Judgmental sampling is useful for case studies in which few cases are needed to illustrate a researcher's major points. One major drawback to judgmental sampling is the inability to generalize to a population. Conclusions drawn from such case studies can be used as a great starting point for understanding business processes, but making generalizations to the population is not possible.

In Statistical sampling we use random selection in the inclusion of the cases into the sample, we can statistically determine an appropriate sample size and we can statistically determine the probability that our sample is not representative of the population. A major advantage of the statistical sampling approach, especially when compared to judgmental sampling, is that it permits generalizing of results to the population from which the sample was drawn.

Census sampling is relatively expensive and judgmental sampling carries the potential for unintended bias; these methods are less often used than statistical sampling. Statistical sampling is the most reliable method of gathering data and providing useful information about the population. At the same time Statistical Sampling is the best sampling type for our research in the thesis.

4.4.2 Statistical sampling methods

There are three statistical sampling methods: simple random sampling, cluster sampling and stratified sampling (Bob E. Hayes 2008).

Simple random sampling is the simplest approach to determining which cases are to be included in the sample. In simple random sampling every case in the population has an equal chance of being included.

Cluster sampling, is a sampling approach in which the selection process is conducted at the group level rather than at the individual level. That is, the individual cases within the population are clustered into groups such as office ore store locations, product line, or physician specialty. These groups are the level at which random selection is conducted, resulting in a small subset of offices products or types of physician, respectively. For example, we might have 200.000 customers throughout our 200 office location. These 200 offices would constitute our clusters. In cluster sampling we would think of our 200 offices as our population and then randomly select our clusters to form our sample from this 200-office population. We could randomly select, say, 40 offices (clusters) to be included in our sample. We would use the customer surveys from these 40 offices in our statistical analysis.

Stratified sampling refers to the approach in which the population is first divided into two or more groups (strata). After stratification, simple random sampling is conducted within each group. When determining the various strata to be used in the study, it is important that the strata be mutually exclusive. That is, membership in one stratum precludes membership in the other strata.

For stratified sampling, each stratum is treated as if it were a separate population. From each of these strata, cases are selected for inclusion in the sample. For example, we may divide the population of magazine readers into strata based on such variables as annual income, gender and location.

When using a stratified random sampling procedure, we would first divide the population of customers into the strata that were identified. Using the gender strata, we would divide the population into subgroups, male and female, and then randomly select readers from each. Using the districts strata we would first divide readers into the five subgroups and then randomly select the readers.

A stratified sampling method has several advantages compared to a simple random sampling:

1. We can obtain better precision with the same overall sample size or obtain the same level of precision with a smaller sample size.
2. We can obtain estimates of customer satisfaction levels for each stratum. This is particularly valuable when we want to make comparisons across different strata. Although we can make comparisons across different groups using simple random sampling, stratified random sampling ensures that we have enough customers within each stratum to make these comparisons meaningful and useful.
3. We can focus on a particular stratum. For example, we might focus on targeted district on male readers in order to determine why male readership so slow in that district.

According to the comparison between statistical sampling methods the best and effective one for investigation in thesis is Stratified sampling which we are going to apply.

4.5 Sample structure

After discussion in meeting with International office managers we decided to make two groups of Exchange programs which are mostly applied by international students. The most applied exchange programs group at the Faculty of Economics were "Erasmus+ / Erasmus, Erasmus Mundus-Infinity project, KA1 mobility, Ceepus" (Table 4.1).

Exchange Program

		Frequency	Percent
Valid	Erasmus+ / Erasmus, Erasmus Mundus-Infinity project, KA1 mobility, Ceepus	56	80.0
	Cooperation or Partnership on the basis of Bilateral agreements and Free-mover	14	20.0
	Total	70	100.0

Table 4.1: Sampling structure according to Exchange Program

Primary feeling and opinion of new international students were interested author and was decided to add period from one to three months beside one, two and more than two semester periods. As shown in the figure 10 result was surprising: 1-3month period students was the same like two semesters period students and even better than more than two semester period students. But one semester period students were the most satisfied. So we can observe declining shape of satisfaction as the period of study increases or negative relationship between period of study and number of international students (Table 4.2).

Period of study at the EKF

		Frequency	Percent
Valid	1-3 months	16	22.9
	one semester	25	35.7
	two semesters	16	22.9
	more than two semesters	13	18.6
	Total	70	100.0

Table 4.2: Sampling structure according to Period of study

According to Table 4.3 mostly bachelor degree international students prefer to study at the Faculty of Economics like exchange student.

Level of degree

		Frequency	Percent
Valid	Bachelor	44	62.9
	Master or full master+PhD or short-term researcher	26	37.1
	Total	70	100.0

Table 4.3: Sampling structure according to level of degree.

Number of fulfilled questionnaires are 70, from which 28 males and 42 females (Table 4.4).

Gender

		Frequency	Percent
Valid	Male	28	40.0
	Female	42	60.0
	Total	70	100.0

Table 4.4: Sampling structure according to Gender

The Faculty of Economics is continuing to accept international exchange students from different countries over the world. In the fulfilled questionnaires there are students from 23 countries from the EU and the non-EU countries. In order not to lose balance between number of countries in investigation of data we decided to divide list of countries into five groups: Western EU countries, Central EU countries, Eastern EU countries, Western and Central Asia countries and Eastern Asia countries (Table 4.5)

Country of origin

		Frequency	Percent
Valid	Western EU countries	13	18.6
	Central EU countries	12	17.1
	Eastern EU countries	15	21.4
	Western and Central Asia countries	17	24.3
	Eastern Asia countries	13	18.6
	Total	70	100.0

Table 4.5: Sampling structure according to country of origin

5. Research Findings

5.1 Total satisfaction

Satisfaction level of International students at the Faculty of Economics in the first glimpse is related with number or percentage of given answers like Yes or No, Agree or Disagree etc. Figure 5.1 is percentage of each answer in scale from 1 to 7. As we see 46% of given answer is slightly agree, 26% of correspondents are Agree and only 10% is strongly agree. 14% of International students are neutral and the rest is 4% is slightly disagree. There is no student who is strongly disagree as an exchange student at the Faculty of Economics. Majority of students are slightly agree or satisfied with their study at the Faculty of Economics which is bigger than answer agree. Probably there are some psychological, cultural or subjective reasons which have impact on students' decision making when they have fulfilled the questionnaire. We are going to analyze these reasons in this section of thesis.

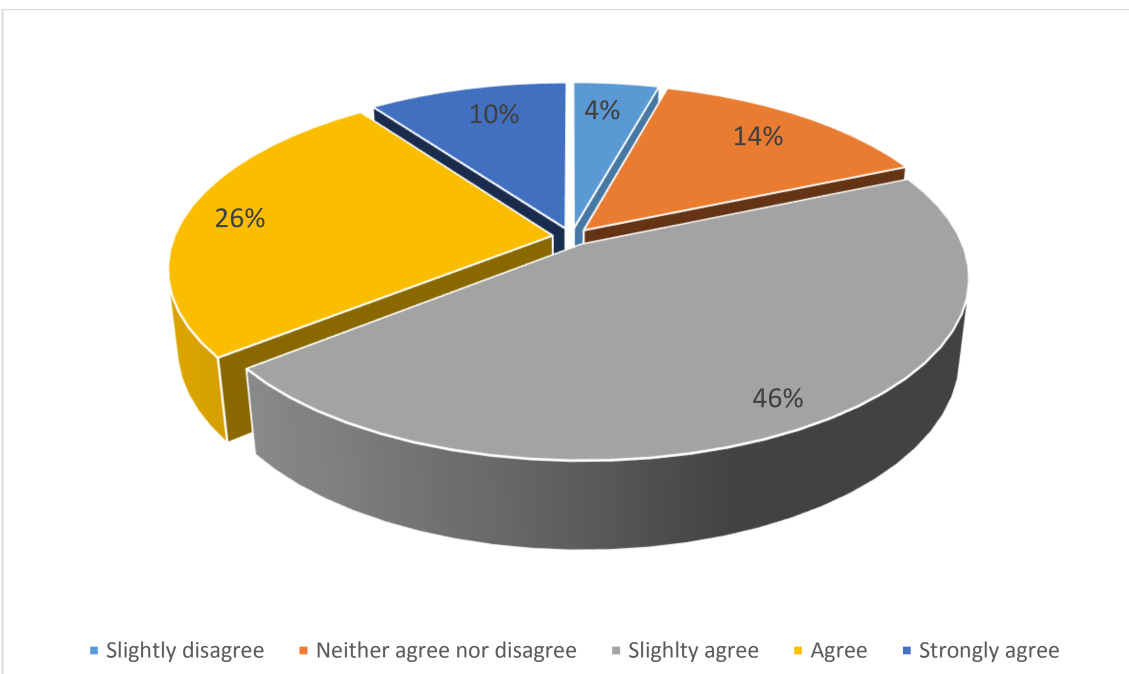

Figure 5.1: Satisfaction portion in rating scale

Now, according to Figure 5.2 it is possible to know what is behind of those percentages in Figure 5.1. Big cluster around the answers slightly agree and agree related with Staff performance, Study condition and Faculty infrastructure. Also, in compare with figure 14, in figure 15 few portion of students who had gave answer strongly disagree. They are just 1.4% per staff performance and study condition and 2.9% per faculty infrastructure. There are similarities between in figures between answers like strongly disagree and slightly disagree. Portion of neutral answer is slightly bigger than answer strongly agree.

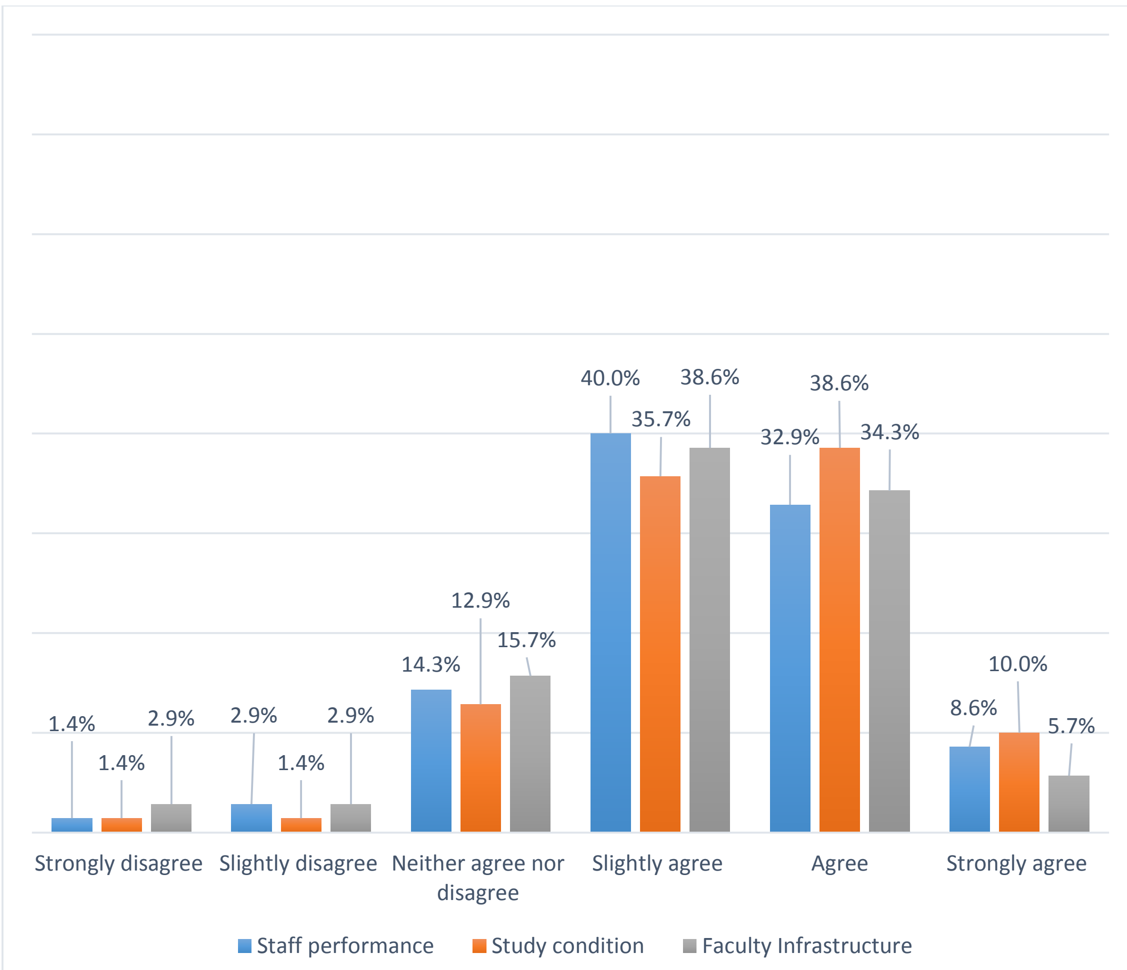

Figure 5.2: Satisfaction portion according to Staff performance, Study condition and Infrastructure

International students use different sources to find information about study at the Faculty of Economics, in Technical University of Ostrava. Author divided them to three groups: Internet search, Friend who have experienced as exchange student in Ostrava and in any seminars or presentations about study abroad. In Table 5.1 it is obvious that differences between these groups are not so big.

Source of information

		Frequency	Percent
Valid	Internet search	22	31.4
	Friend who have experience as exchange student in Ostrava	23	32.9
	In any seminars or presentations about study abroad	25	35.7
	Total	70	100.0

Table 5.1: Sampling structure according to source of information.

Total satisfaction is not able to give us proper answer for question like: which country students are more satisfied? or In which period of study do the international students feel themselves satisfied with study at the Faculty of Economics?. In this situation it is better to do some analysis of means in SPSS+ statistic program. Figure 5.3 is satisfaction level of international students related with country of origin in percent.

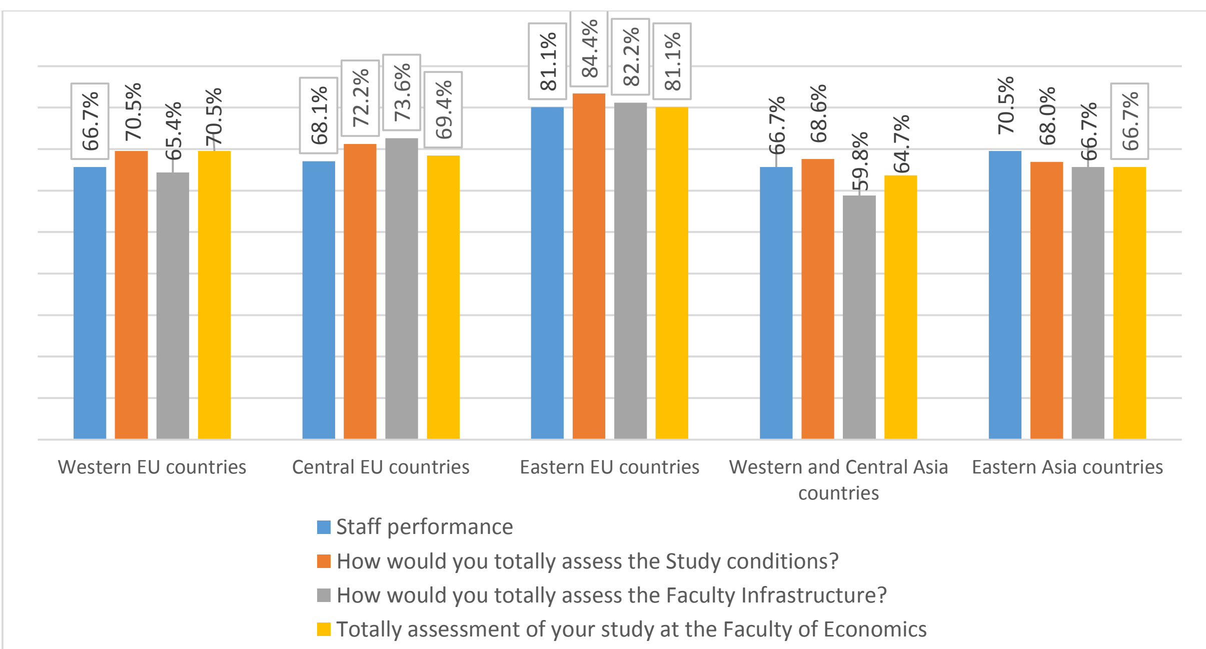

Figure 5.3: Satisfaction level of International students versus Country of Origin

As mentioned before author divided 23 EU and non EU countries into 5 groups in order to make balance between them in analysis. The most satisfied students are from Eastern EU countries like Ukraine, Belarus, Estonia, Finland and Russia. In this group majority of international students are from former communist countries which have a big weight in the result. Education system in these countries is not competitive with central or western EU countries education system. Beside better educational reasons either better economic and cultural reasons increase the satisfaction level of students from those countries. As it was expected less satisfied international students are from Asian countries. The first main reason is cultural differences from all the countries in group and the second is less improved education system in countries like Azerbaijan, Georgia, Kyrgyzstan, Syria and Kazakhstan. But China, South Korea and Taiwan have been improved their education enough.

Many countries from both group are former communist countries. It is mean low educational development and different methods of teaching from X generation teachers. Also technical equipment and tools for teaching of students are old. But Eastern EU countries culture is very common with EU countries culture. That’s why eastern EU country students can easy adopt to environment, behavior of teachers and social life at the faculty of Economics. Western and Central Asia country students are less adoptable to environment because of cultural differences. The way of thinking is different, for example students from Azerbaijan Republic are addicted to solve and prepare tasks asked by teachers. Lectures are always ready which they read and answer the questions during the seminars. But in the EU member states’ education system students have to learn by on their own and ask some questions during the seminar.

Eastern Asia countries have high level of education system in compare with Eastern EU countries. Here only reason is specific culture of those countries which different from not only EU countries but also rest of world. And the most important difference is communication between students and teaching staff.

Eastern and Central EU countries have deeply multicultural diversity. Satisfaction level of those countries students are very similar.

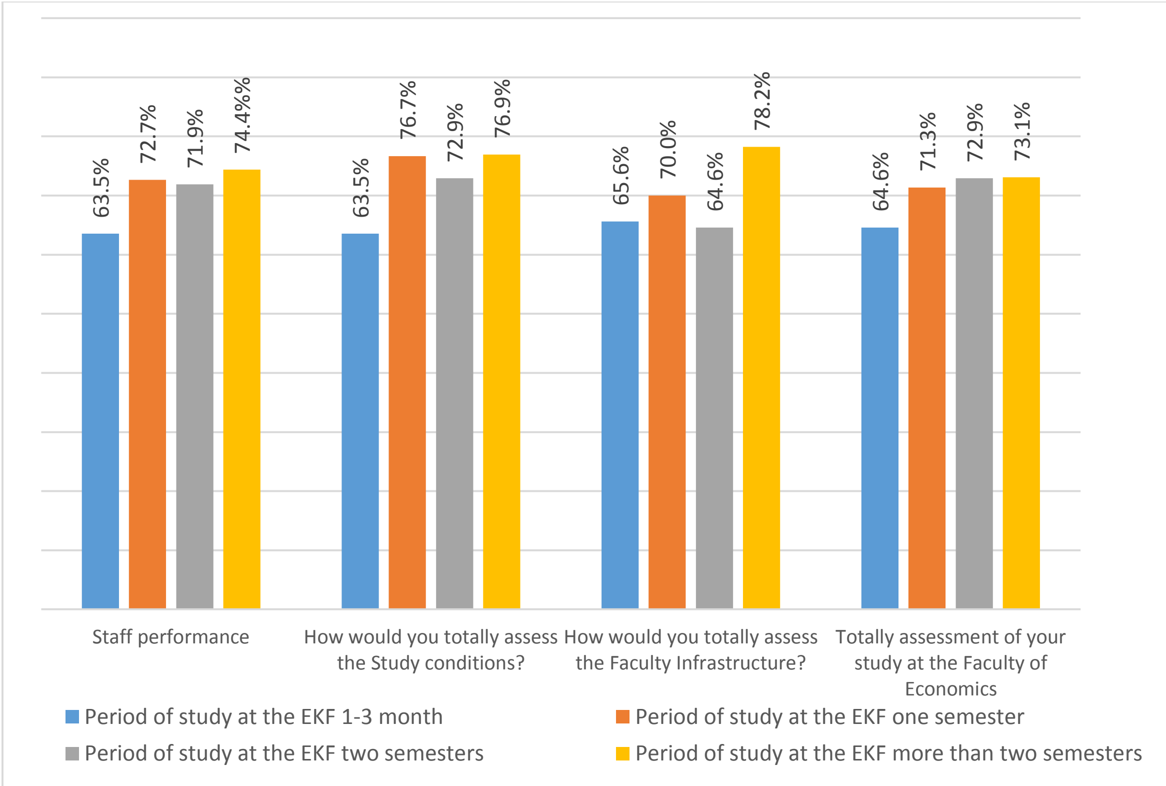

Figure 5.4: Satisfaction level of International students versus Period of study

Satisfaction level of international student is not only term of study condition, staff performance or infrastructure. At the same time it is subjective terms of each student. Adoptability of international students is good example of subjective terms. So, subjective terms have direct impact on satisfaction level international students. Sometimes students need some time to accept environment around them and to adopt it. Figure 5.4 have approved this prediction and shows as how length of study related with satisfaction level of international students. Total assessment of students about study at the Faculty of Economics is 64.6% for 1-3 month period. But it is increasing to 71.3% in one semester period, 72.9% in two semester period and 73.1% in the more than two semester period. This increasing shape of satisfaction is evidence of positive relation with length of study. International students in their period of study to be familiar with culture avoid the cultural shock.

	Staff performance	How would you totally assess the Study conditions?	How would you totally assess the Faculty Infrastructure?	Totally assessment of your study at the Faculty of Economics
Staff performance	1	.538**	.438**	.556**
How would you totally assess the Study conditions?	.538**	1	.507**	.637**
How would you totally assess the Faculty Infrastructure?	.438**	.507**	1	.567**
**. Correlation is significant at the 0.01 level (2-tailed).				

Table 5.2: Correlation of Total satisfaction with Staff performance, Study condition and Infrastructure

Table 5.2 demonstrates correlation of total satisfaction with Staff performance, Study condition and Infrastructure at the Faculty of Economics. Study condition have the highest correlation or association with total satisfaction level of international students. The second association we can observe with faculty infrastructure and the third with staff performance. Here is amazing result from the correlation of total satisfaction with staff performance at the third level. Before survey it was expected see at the first range.

In the Position map (Figure 5.5) for staff performance, study condition and infrastructure we are able to see the visualization of correlation. So, with high correlation Study condition take place in quarter with high satisfaction and importance level. It is an evidence of successful policy at the Faculty of Economics. Correlation of staff performance and infrastructure have a position in the first quarter with low satisfaction and importance level.

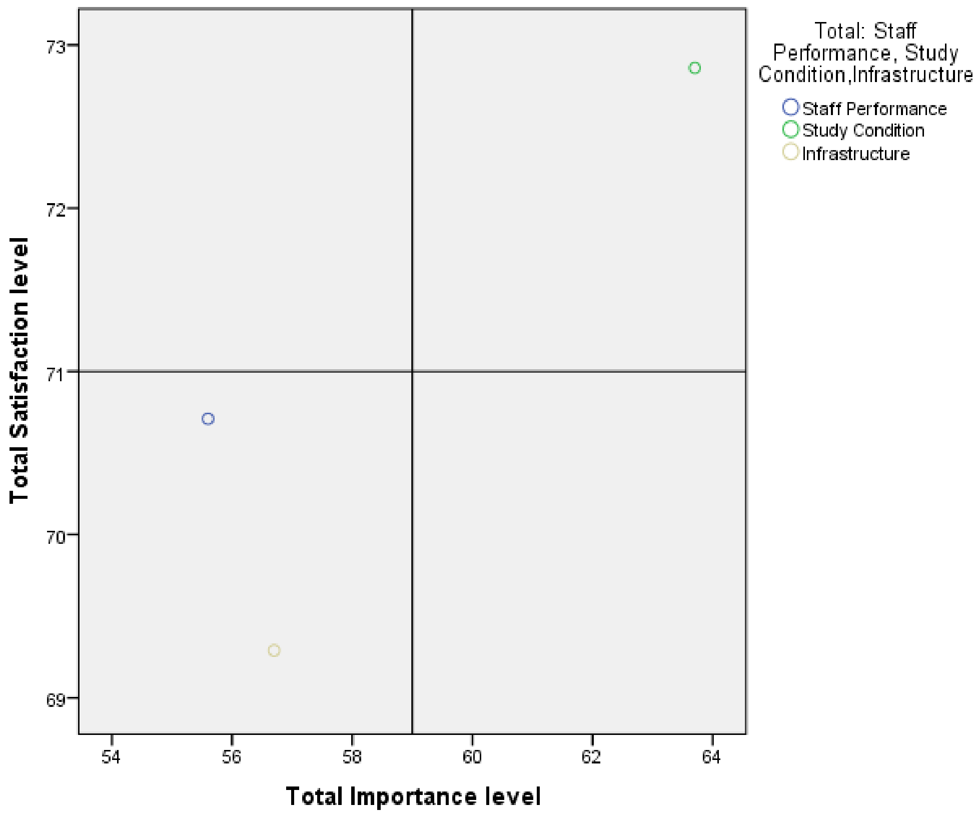

Figure 5.5: Position map of Staff performance, Study condition and Faculty Infrastructure

5.2 Staff performance at the Faculty of Economics

Satisfaction of international students per each characteristic of staff performance was performed in Figure 5.6. The high satisfaction level of Eastern EU countries familiar to us from the Figure 5.3. In this figure it is again leader per each characteristic. Except this country group students, others indicate small satisfaction about language skills of teaching staff. High level of satisfaction for all country groups is friendliness of teaching staff. It is mean that international students can socialize themselves with their teachers.

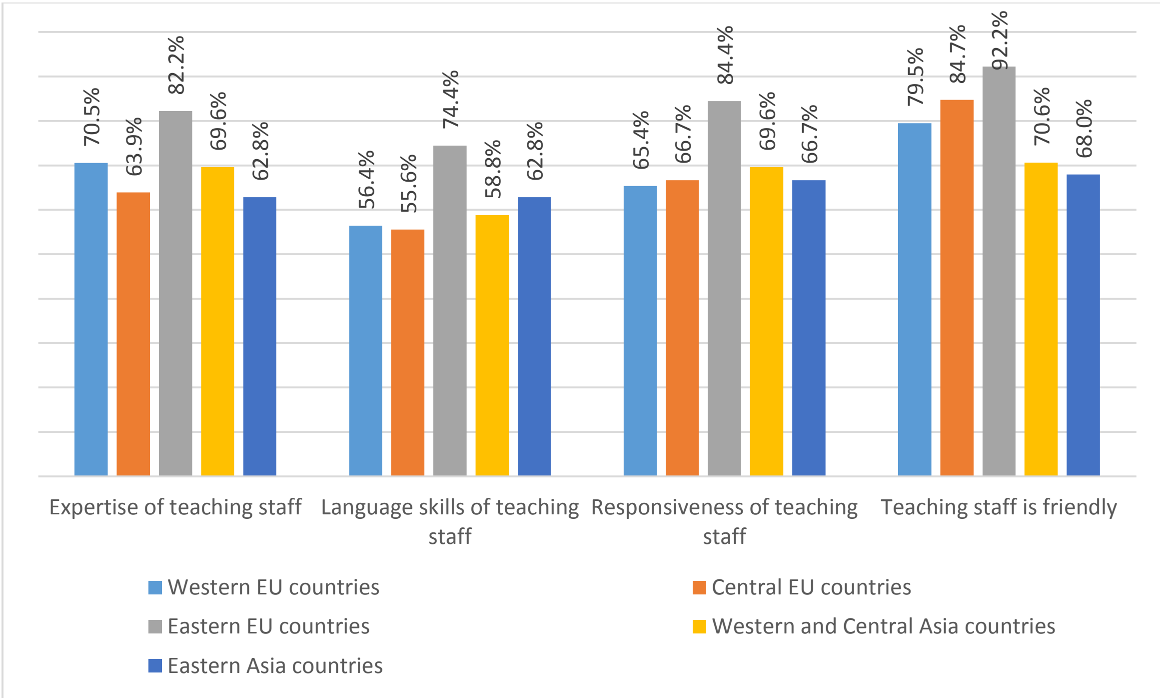

Figure 5.6: Teaching staff versus Country of Origin

According to Figure 5.7, again international students are not highly satisfied with language skills of teaching staff all periods in compare with other characteristics. The pick in satisfaction level for each characteristics is one semester. Friendliness of teaching staff is at the level of satisfaction in each period of study.

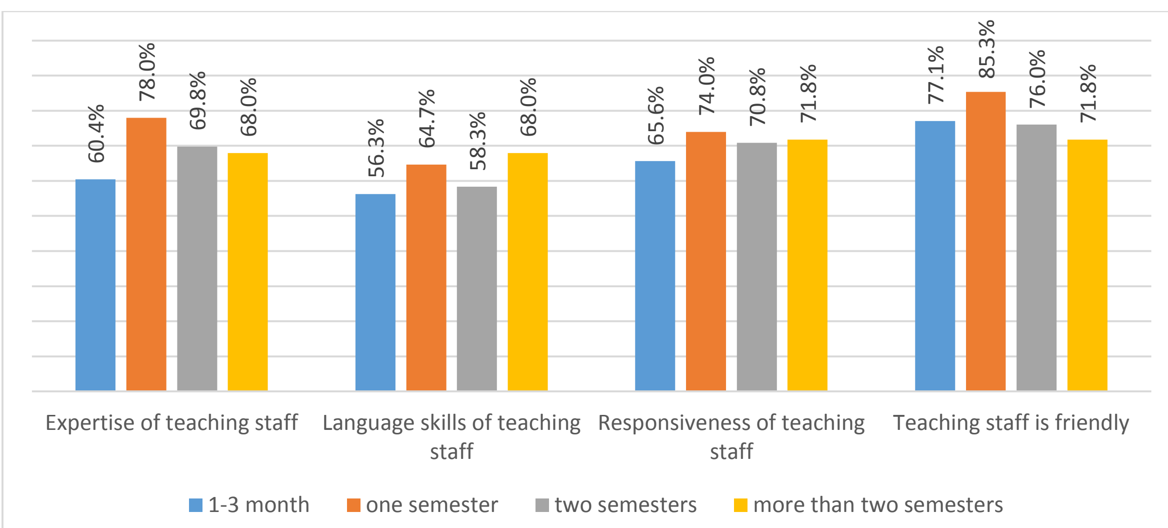

Figure 5.7: Teaching staff versus Period of study

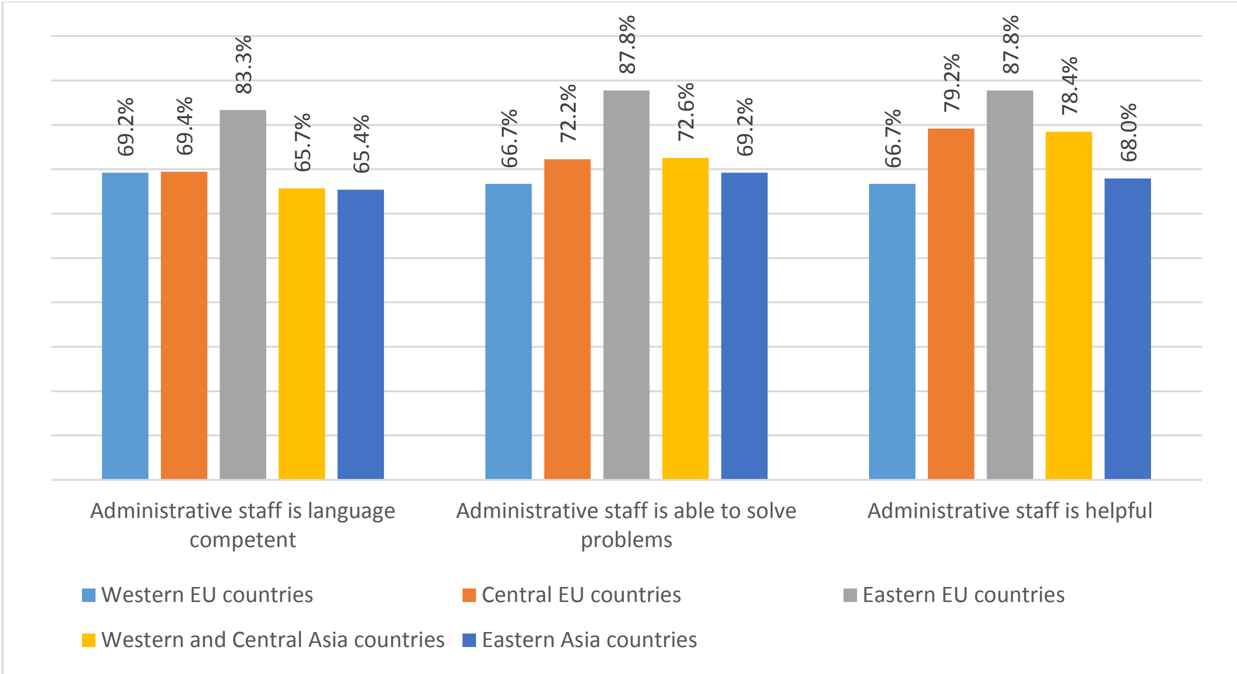

Figure 5.8: Administrative staff versus Country of origin

The interesting point in the Figure 5.8 is about the same satisfaction level of students from Western EU countries and Eastern Asia countries. Eastern EU countries as usually shows the high satisfaction level above 80% per each three characteristics.

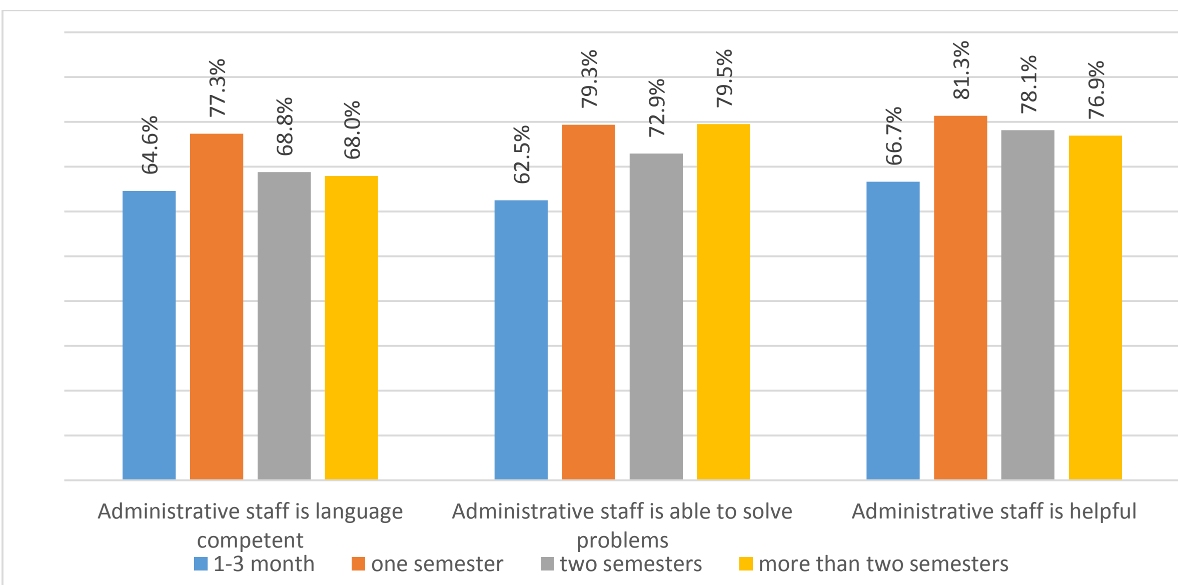

Figure 5.9: Administrative staff versus Period of study

Correlation of staff performance with characteristics help us to find the most and the least important characteristic. In Table 5.3 the most important characteristics for international students is responsiveness of teaching staff and the least one is language skills of teaching staff. Also ability of teaching staff to solve problems, friendliness and expertise of teaching staff have high importance. Language competiveness and helpfulness of administrative staff is lower.

	Staff performance
Expertise of teaching staff	.509**
Language skills of teaching staff	.345**
Responsiveness of teaching staff	.716**
Teaching staff is friendly	.514**
Administrative staff is language competent	.493**
Administrative staff is able to solve problems	.688**
Administrative staff is helpful	.405**
**. Correlation is significant at the 0.01 level (2-tailed).	
*. Correlation is significant at the 0.05 level (2-tailed).	

Table 5.3: Correlation of Staff performance with characteristics

The relation of importance level in position map (Figure 5.10) is almost overlapping with correlation table. Language skills of teaching staff with low satisfaction and importance level take place in the first quarter. In relation with country of origin and period of study this characteristic have always indicated low satisfaction. With high satisfaction and low importance level; friendliness and expertise of teaching staff, also helpfulness and language competency of administrative staff take place in the second quarter. Responsiveness of teaching staff and Administrative staff problem solving ability take place in third quarter with high satisfaction and importance level.

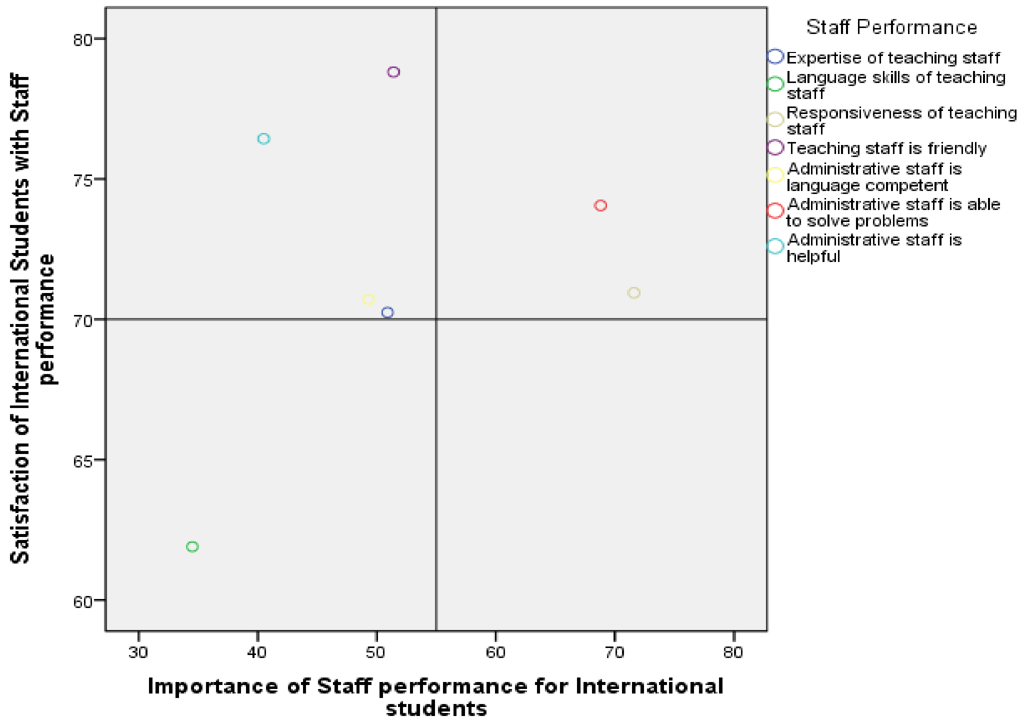

Figure 5.10: Position map of Staff performance

5.3 Study conditions at the Faculty of Economics

Satisfaction of international students about study conditions at the Faculty of Economics is poor for period from 1 to 3 month (Figure 5.11). It belongs to each characteristic of study conditions. Two semester period is also poor or low but slightly better than period from 1 to 3 month. High satisfaction level shows one semester and more than two semester periods. The same rule like in staff performance satisfaction level, works for study condition too, in the period from 1 to 3 month. It take some time for international students to adopt to study conditions.

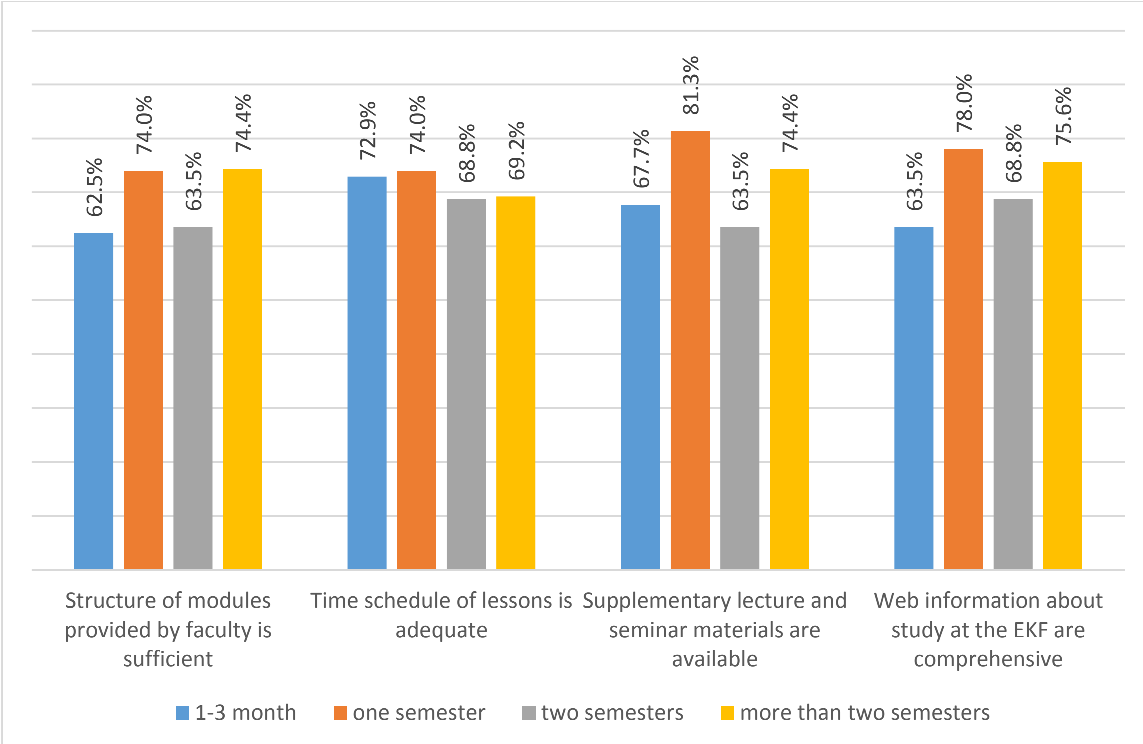

Figure 5.11: Study condition versus Period of study

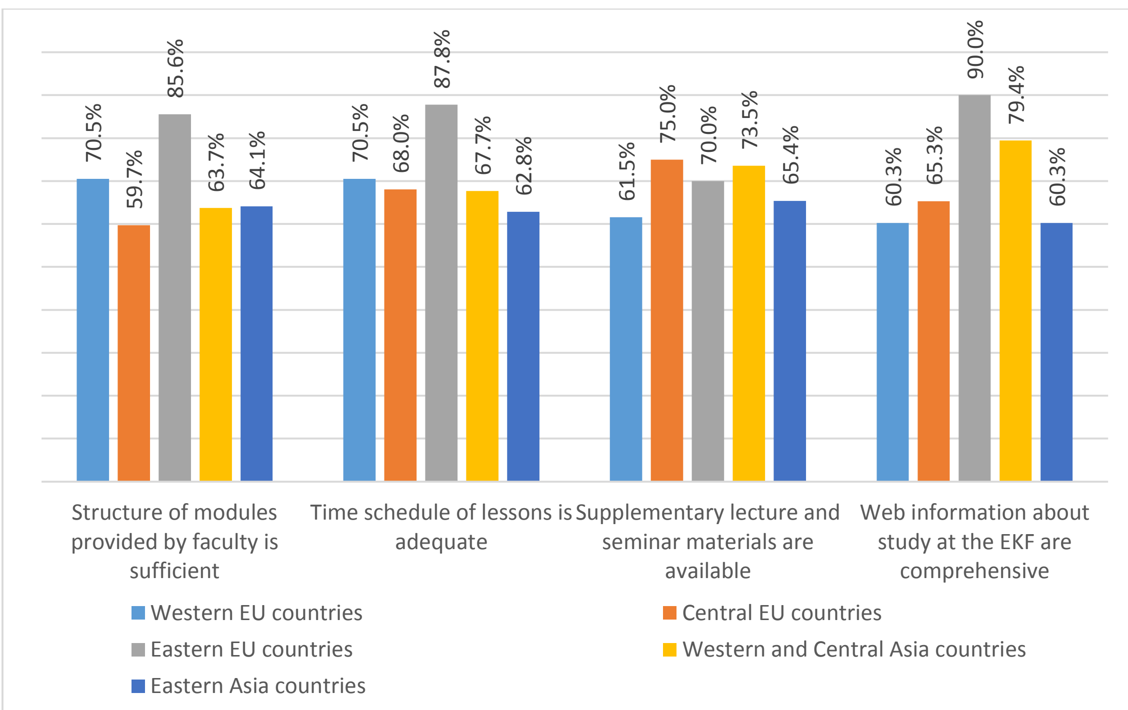

Figure 5.12: Study condition versus Country of origin

In general view, relationship of country of origin with study condition (Figure 5.12) is a little bit lower in compare with period of study. But Eastern EU countries again shows high level of satisfaction in each characteristic of study conditions because of the same reasons as mentioned before. But with availability of supplementary lecture and seminar materials they are not satisfied like other international students.

Correlation table (Table 5.4) have interesting output: Web information about study at the Faculty of Economics is highly important for international students than other characteristics. At the same time adequate time schedule of lessons is less important for students. Availability of supplementary lecture and seminar materials as visible in figure 27 have less satisfaction but it have quite high importance for international students.

	How would you totally assess the Study conditions?
Structure of modules provided by faculty is sufficient	.547**
Time schedule of lessons is adequate	.469**
Supplementary lecture and seminar materials are available	.543**
Web information about study at the EKF are comprehensive	.615**

**. Correlation is significant at the 0.01 level (2-tailed).

Table 5.4: Correlation of Study condition with characteristics

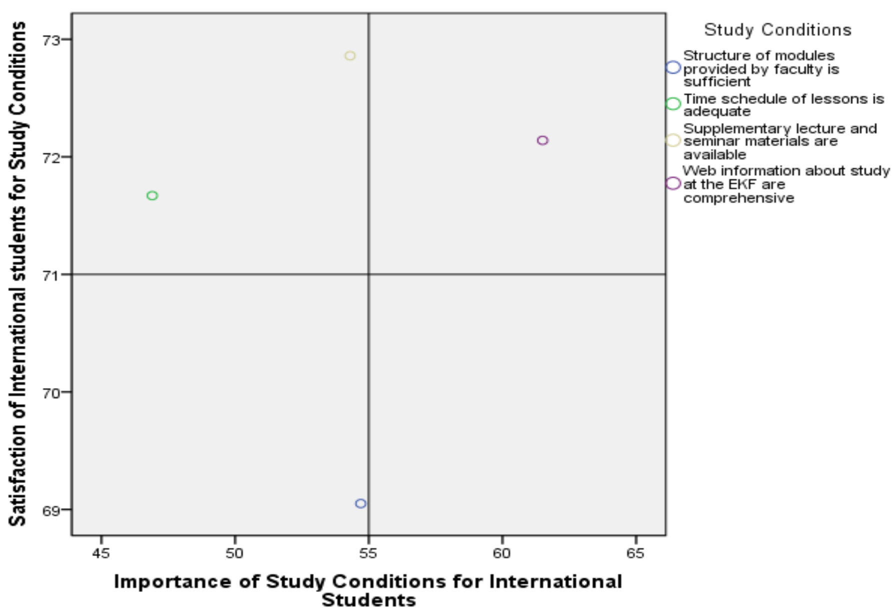

Figure 5.13: Position map of Study condition

Position map of Study condition in Figure 5.13 can be good guide what to improve or keep straight at the Faculty of Economics. International students are not satisfied well with Structure of modules provided by faculty and it need to be improved. That's why it take place in the first quarter. Students are satisfied with time schedule of lessons and supplementary lectures and seminar materials but they not have high importance for them. Their position in the second quarter and have to be transformed to the third quarter. Web information about study at the Faculty of Economics is quite comprehensive at the third quarter and it is better to keep it in this position.

5.4 Infrastructure at the Faculty of Economics

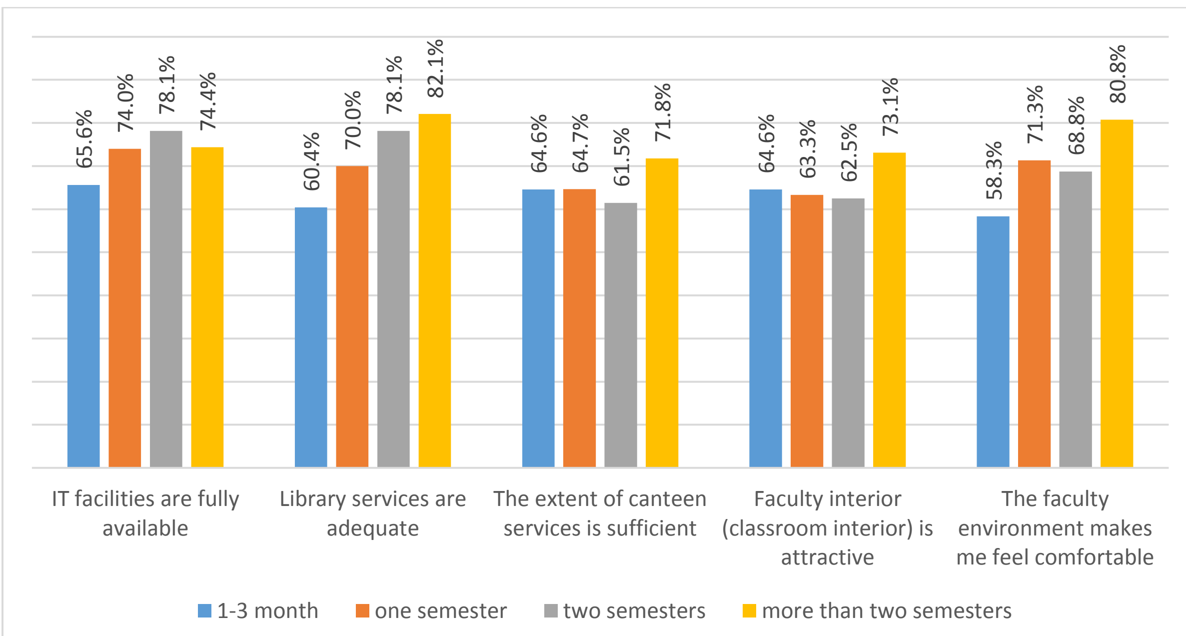

Figure 5.14: Infrastructure versus Period of study

Infrastructure at the Faculty of Economics seems like good and satisfied for students of more than two semester period (Figure 5.14). Like before students at the short period (1-3 month) are less satisfied. Faculty interior and service at the canteen is not sufficient or attractive enough for all period international students except students who are in more than two semester period.

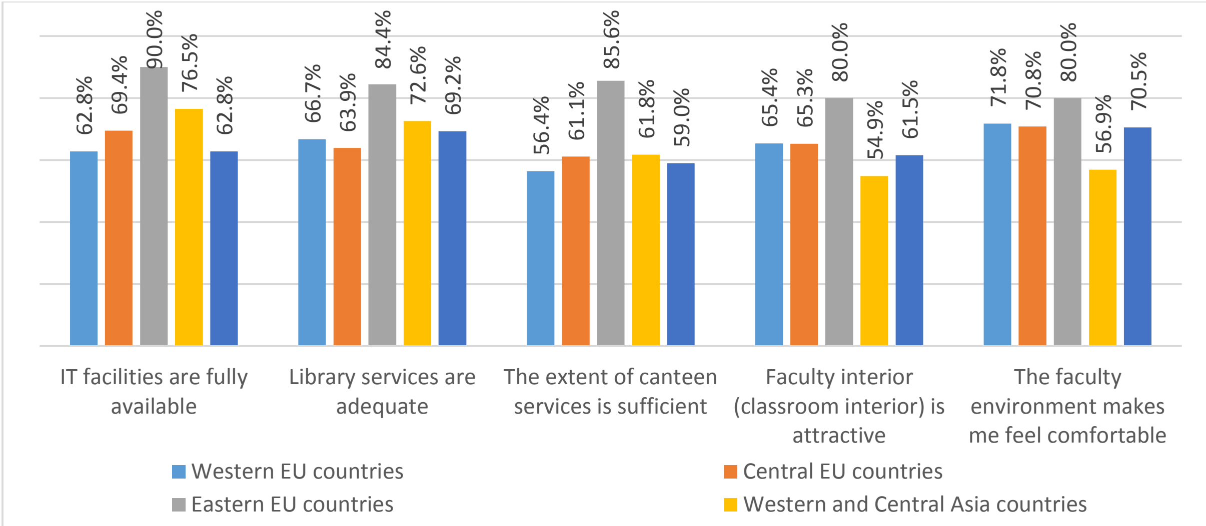

Figure 5.15: Infrastructure versus Country of origin

Relying on the percentages in the table for satisfaction of international students about infrastructure of faculty (Figure 5.15) it is possible to see some similarities in satisfaction level of students from Eastern Asia and Western EU group. Both group of countries have different culture from each other also from Czech culture at the same time. There are some common things between Czech culture and culture of Eastern EU countries which is reason for this group country students' high satisfaction. Especially faculty interior, canteen service and environment is depends on the taste of international students.

In the correlation of infrastructure with characteristics (Table 5.5) that, faculty interior and environment have high correlation with infrastructure and high importance for international students. The rest have very low importance and IT facilities is the lowest one between them.

	How would you totally assess the Faculty Infrastructure?
IT facilities are fully available	.366**
Library services are adequate	.457**
The extent of canteen services is sufficient	.458**
Faculty interior (classroom interior) is attractive	.718**
The faculty environment makes me feel comfortable	.653**

**. Correlation is significant at the 0.01 level (2-tailed).

Table 5.5: Correlation of Infrastructure with characteristics

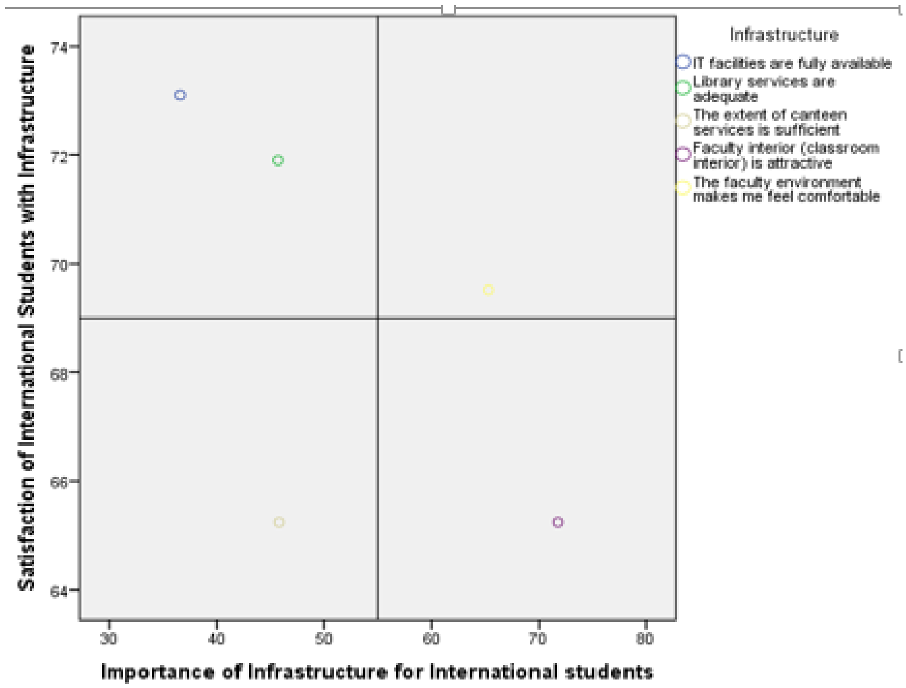

Figure 5.16: Position map of Infrastructure

Position map for infrastructure at the Faculty of Economics (Figure 5.16) is the best description for interpretation. Position of canteen service tell that importance and satisfaction level is very low for international students. Perhaps students prefer to eat in other restaurants and cafes or they just cook at home. The food taste of international students also different from the food in canteen. In the second quarter there are library service and IT facilities. Satisfaction for both characteristics are high but importance is low. Each students have its own laptop at home and they use a lot of sources in internet than in library. In the third quarter there is characteristic about faculty environment. It have medium satisfaction level but high importance. It is necessary to keep it up in the same position. At the last quarter it is faculty interior and international students don’t satisfied with it. But importance for them is very high. So probably it is necessary to change interior in the classrooms and make it more attractive for international students.

5.5 Loyalty of International Students at the Faculty of Economics

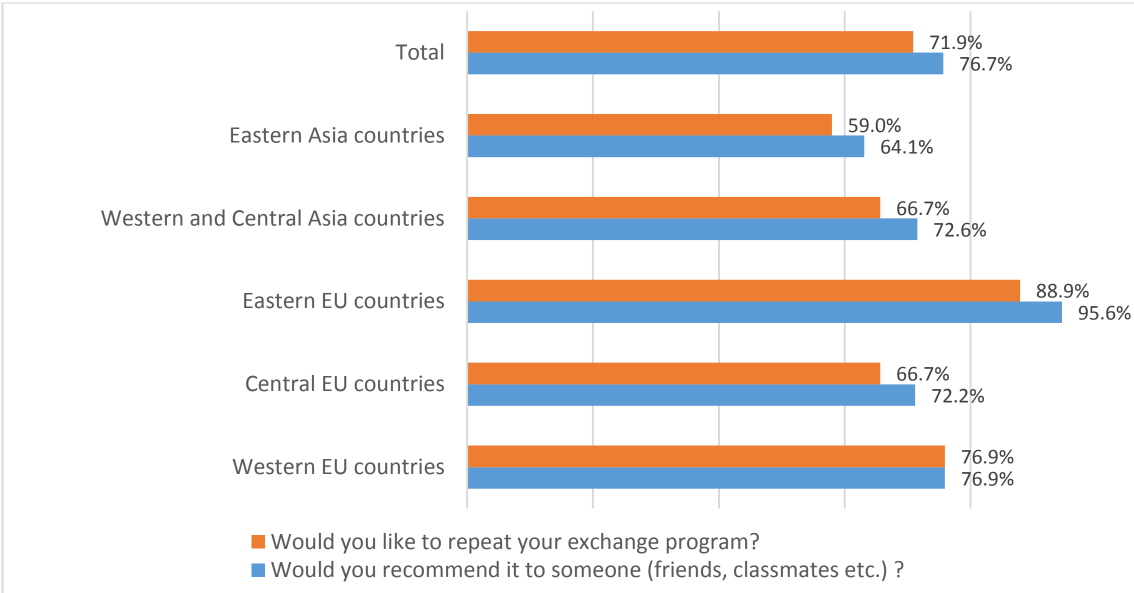

Figure 5.17: Loyalty level of International students according to Country of origin

Loyalty of international students have interrelation point with their emotional mood. Because of its' sensitivity, author decided to ask two question: would you like to repeat your exchange program? And would you recommend it to someone?

The question about repetition is more action related than emotional and it is able to tell us about percent of loyal international students. But question about recommendation is more emotional related than action. According to Figure 5.17 total satisfaction of international students is 71.9% and their emotional mood in total 76.6%. In all cases for each countries group students' emotional loyalty is higher than action loyalty. But Western EU countries are exception. Maybe students from those countries are much sure in their decision making than rest of country students. The most loyal international students are belong to Eastern EU countries like Belarus, Ukraine, Russia, Estonia and Finland. The reasons for this case as we mentioned before cultural similarities, Economical and Educational terms and taste of people with Czech people. During the research about relation of countries groups with according to study conditions, staff performance and faculty infrastructure we have observed almost the same level of satisfaction between Western EU countries and Eastern Asia countries. But the loyalty level of students from those countries are different. Western EU countries (France, Spain, Portugal) group students are in the second rank for loyalty. But students from Eastern Asia counties are at the last place for loyalty level. Probably the sharp cultural, taste and especially student teacher behavior is the main reason why students from China, Taiwan and South Korea are at the last place for loyalty. Western EU countries also have big differences from Czech culture, but they are more close each other in all points. Another amazing case is similar loyalty level of students from Central EU countries (Germany, Greece, Montenegro, Poland, Slovenia) and Western and Central Asia countries (Azerbaijan Republic, Georgia, Turkey, Iran, Kazakhstan, Kyrgyzstan, Syria). Both group students rarely showed the near level of satisfaction. Maybe it is because of different number of opposite answers which at the end made a similar level of loyalty.

6. Recommendations

In this section of diploma thesis author is going to recommend what kind of actions to take in order increase the loyalty and satisfaction level of international students at the Faculty of Economics. Author will try to find main problems and put them into the groups and then will try to find few solutions. Groups will be gathered from characteristics of Staff performance, Study conditions and Faculty infrastructure. Autnhor assume that by solving problems in each of three groups will force to appreciate the level of satisfaction and loyalty of international students. The main point in this approach or strategy is to go into roots of problems which are the core reasons of low satisfaction and loyalty.

Portion of satisfaction level for staff performance in total satisfaction is more than 66% minimum (Figure 5.3) in general. The highest portion belong to students from Eastern EU countries with 81.1% (Figure 5.3) and the lowest belong to Western or Central Asia and Western EU countries. Also, importance of staff performance for international students is the third in the ranking 55.6% (Table 5.2). At the same time its' correlation with total satisfaction in compare with study conditions and infrastructure is low. Except Western EU countries students rest of them are not satisfied with language skills of teaching staff. Importance of language skills is just 34.5% (Table 5.3). In general responsiveness of teaching staff have normal satisfaction level with 65.4% (Figure 5.6) minimum among international students. Also importance of it is very high with 71.6% (Table 5.3). Both of this issues we can count like unique problem. Because language skills and responsiveness of responsiveness of teaching staff are somehow connected with each other. Both of them are communication oriented problem which need language skills. Solution for this problem is to organize language courses and increase language competitiveness of teaching staff. This is a high demand of Internationalization process at the Faculty of Economics.

Western or central Asia countries and Eastern Asia county students are less satisfied with study conditions at the Faculty of Economics with 68% (Figure 5.3). The most satisfied as usually are students from Eastern EU countries. In total assessment of the Faculty of Economics, study conditions have the highest importance for international students with 63.7 % (Table 5.2) in compare with staff performance and infrastructure. Structure of modules provided by faculty is not so welcomed by students from Central EU countries which is only 59.7% (Figure 5.11) of satisfaction level. But it have sufficient portion of importance (Table 5.4, 54.7%) for international students. Administrative staff who are responsible for that is responsible to identify the problems and solve them. For that it is necessary to do survey again consisting of few questions. It is necessary to find reasons of dissatisfaction.

Faculty infrastructure is criteria which can make primary idea or imagine in international students' brain. He or she at the first view to faculty infrastructure will compare with home university. And consequently it will affect the satisfaction of students. Western and Central Asia country students have not been satisfied with infrastructure of faculty in total with 59.8% (Figure 5.3). But it have the second level ranking in importance (Table 5.2, 56.7%) international students. In position map infrastructure have the lowest satisfaction level and higher importance than staff performance. To say more accurately, faculty interior and environment is not attractive or comfortable for students from those countries. Students from Eastern Asia and Western EU countries are not also satisfied with canteen service in the faculty. But it have very low importance for them. Eastern EU students are satisfied very highly about infrastructure in the Faculty of Economics. Look at the correlation table and position map it will be clear that faculty interior if very important for students. Probably faculty interior, canteen service also some few characteristic are the reason for low satisfaction level of international students about environment at the faculty. Solution is again to do survey with few question about interior, menu in the canteen, job of workers at the canteen, size of canteen etc. After feedback from survey it will be possible to know what to change and keep as before in the faculty infrastructure.

Another point which have impact on satisfaction level is period of study of international students. In our research author have observed the same trend line in all characteristics of faculty. Students whose length of study is from 1 to 3 month are not satisfied so high. But as the length of study is coming longer like one semester their satisfaction level is increases. And from one to two and two to more than two semester period satisfaction level increases very slightly.

Author solution is to prepare some marketing activities to increase the satisfaction level of international students in all criteria's. These activities will be effective for loyalty too. The main goals in these activities are help international students to socialize very easily at the faculty and adaptation to environment, to be familiar with staff and student-teacher behavior, also to know how to use IT facilities, library system etc. Especially it is important for newcomers. Organizing event including teaching and administrative staff together and prepare comfortable atmosphere for international students will increase their loyalty.

7. Conclusion

The aim of this paper was to investigate satisfaction and loyalty level of international students at the Faculty of Economics, Technical University of Ostrava. According to this aim our target audience was current and past international students from 23 EU and non EU countries. For data gathering was chosen survey which is very cheap and not time consuming for this aim. The most popular and common method in survey is Questionnaire. At the end 70 questionnaires were fulfilled by international students through networks and in person way. Data from gathered questionnaires were put and examined in IBM SPSS Statistics. Preliminary analyses have shown some basic characteristics and profiles of respondents, on which then deeper analysis was made using several statistic techniques, such as one compare means, frequencies and correlation.

According to the first part of questionnaire author tried to find some numeric data about respondents like, gender, country of origin, period of study, source of information about study at the Faculty of Economics, current and past exchange program and level of degree. Analysis have been done against country of origin and length of study which are necessary variables for this research. Investigation was focused on three main criteria of faculty: staff performance, study condition and faculty infrastructure. Data analysis of gathered questionnaires revealed some issues regarding to faculty interior, canteen service, structure of modules, language skills of teaching staff and low satisfaction level of international student whose period of study from one to three month. Also it is obvious high loyalty performance of students from Eastern EU countries in all criteria and low loyalty level of students from Eastern Asia countries. Author prepared solutions for these problems like, courses for teaching staff, survey about faculty interior, canteen service and structure of modules and prepare some prepare some marketing activities.

In order to avoid such problems, to follow the satisfaction and loyalty level of international students faculty administration should implement this type of survey each year constantly. Reaction plan for discovered problems will help the Faculty of Economics to increase the reputation among other faculties and will be the guarantee of successful internationalization policy.

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List of Abbreviations

i.e. – in other words, that is to say

etc. – et cetera

EU – European Union

VSB-TUO – Vysoká škola báňská-Technická univerzita Ostrava

CSM – Customer Satisfaction Measurement

Declaration of Utilisation of Results from the Diploma Thesis

Herewith I declare that

- I am informed that Act No. 121/2000 Coll. – the Copyright Act, in particular, Section 35 –Utilisation of the Work as a Part of Civil and Religious Ceremonies, as a Part of School Performances and the Utilisation of a School Work – and Section 60 – School Work, fully applies to my diploma thesis;
- I take account of the VSB – Technical University of Ostrava (hereinafter as VSB-TUO) having the right to utilize the diploma thesis (under Section 35(3)) unprofitably and for own use ;
- I agree that the diploma thesis shall be archived in the electronic form in VSB-TUO's Central Library and one copy shall be kept by the supervisor of the diploma thesis. I agree that the bibliographic information about the diploma (bachelor) thesis shall be published in VSB-TUO's information system;
- It was agreed that, in case of VSB-TUO's interest, I shall enter into a license agreement with VSB-TUO, granting the authorization to utilize the work in the scope of Section 12(4) of the Copyright Act;
- It was agreed that I may utilize my work, the diploma thesis or provide a license to utilize it only with the consent of VSB-TUO, which is entitled, in such a case, to claim an adequate contribution from me to cover the cost expended by VSB-TUO for producing the work (up to its real amount).

Ostrava dated 22.4.2016

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Kamal Ahmadov

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Appendix A

Field	Summer semester 2013/2014		Winter semester 2014/2015		Total 2014
	Bc	Mgr	Bc	Mgr	
Marketing and trade	0	9	4	9	22
Accounting and Tax	0	8	3	5	16
Management	1	5	2	7	15
Finance	1	2	3	4	10
Economics and Law in Business	0	6	0	3	9
Eurospráva	2	3	0	4	9
Business economy	3	2	0	1	6
economic Journalism	1	5	0	0	6
Systems Engineering	0	4	1	1	6
Applied Informatics	1	1	0	0	2
National economy	1	0	0	0	1
Public Economics and Administration	0	0	0	0	0
Regional development	0	0	0	0	0
sports management	0	0	0	0	0
Tourism	0	0	0	0	0
Doctoral study	1		2		3
Total	56		49		105

Table 1: The number of students studying abroad by fields (2014). Adapted from http://www.ekf.vsb.cz/export/sites/ekf/cs/o-fakulte/rozvoj/vyrocni-zpravy/dokumenty/VZ_EkF_2014.pdf

Appendix B

Country	LS 2013/2014	ZS 2014/2015	Total 2014
Belgium	6	12	18
Germany	6	6	12
Great Britain	8	4	12
Spain	5	6	11
Finland	5	3	8
Portugal	4	2	6
Slovenia	1	5	6
Taiwan	4	1	5
Netherlands	2	2	4
Greece	3	0	3
Poland	0	3	3
France	1	1	2
Ireland	1	1	2
Italy	1	1	2
Norway	2	0	2
Sweden	2	0	2
Switzerland	0	2	2
Korea	1	0	1
Hungary	1	0	1
Austria	1	0	1
Russia	1	0	1
Argentina	1	0	1
Total	56	49	105

Table 2: The number of students studying abroad by country of residence (2014). Adapted from http://www.ekf.vsb.cz/export/sites/ekf/cs/ofakulte/rozvoj/vyrocni-zpravy/dokumenty/VZ_EkF_2014.pdf

Appendix C

Country	**LS 2013/2014**	**ZS 2014/2015**	**Total 2014**
China	52	48	100
Spain	23	13	36
Korea	7	7	14
Turkey	7	6	13
Poland	4	6	10
France	1	6	7
Taiwan	3	3	6
Netherlands	0	5	5
Portugal	0	5	5
Belgium	1	2	3
Greece	3	2	5
Slovakia	3	2	5
Italy	2	0	2
Finland	3	1	4
Germany	1	2	3
Ukraine	0	3	3
Russia	2	0	2
Montenegro	1	1	2
Azerbaijan	0	2	2
Bulgaria	0	1	1
Slovenia	0	1	1
Belarus	0	1	1
Georgia	0	1	1
Total	**113**	**118**	**231**

Table 3: Numbers of foreign students by country of origin (2014). Adapted from http://www.ekf.vsb.cz/export/sites/ekf/cs/o-fakulte/rozvoj/vyrocni-zpravy/dokumenty/VZ_EkF_2014.pdf

Appendix D

Questionnaire

Introduction: Purpose of this questionnaire is to measure satisfaction level of international students who participate in the exchange programs at the Faculty of Economics, Technical University of Ostrava. We would appreciate your effort in helping us to build better environment for international students by filling this questionnaire.

Your answers are completely confidential so be as frank as you wish. This is not a test- your opinion is the only right answer. It is not necessary to sign your name.

1. Source of information about study at the Faculty of Economics in Ostrava
a) Internet search
b) Friend who have experience as exchange student in Ostrava
c) FB recommendation
d) In any seminars or presentations about study abroad
e) Other: ____

2. Choose the exchange program which you are participating/ participated in
a) Erasmus+ / Erasmus
b) Erasmus Mundus-Infinity project
c) Erasmus: KA1 mobility
d) Ceepus
e) Free-mover
f) Other: _________________________

3. How long have you been studying at the Faculty of Economics so far?
a) 1 month
b) 2-3 months
c) one semester
d) two semesters
e) more than two semesters

4. Level of degree participating/ participated program
a) Bachelor
b) Master or full master
c) PhD or short-term researcher
d) Other: _________________________

5. ☐ ☐ Gender: Male Female

6. Country of origin: _________________________________

7. Listed below are several kinds of characteristics associated with ***Staff*** of Economics faculty. Please indicate how satisfied you are with quality of each kind of characteristic by noting the appropriate number.

The expertise of teaching staff is adequate.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Language skills of teaching staff are adequate.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Responsiveness of teaching staff to requests is sufficient.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Teaching staff is friendly.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Administrative staff (International office, library, IT) is language competent.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Administrative staff (International office, library, IT) is able to solve problems.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Administrative staff (International office, library, IT) is helpful.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

How would you totally assess the *Staff* performance?
Very dissatisfied Very satisfied
1 2 3 4 5 6 7

8. Listed below are several kinds of characteristics associated with ***Study conditions*** of Economics faculty. Please indicate how satisfied you are with quality of each kind of characteristic by noting the appropriate number.

Structure of modules provided by faculty is sufficient.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Time schedule of lessons is adequate.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Supplementary lecture and seminar materials are available.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

Web information about study at Faculty of Economics are comprehensive.
Strongly disagree Strongly agree
1 2 3 4 5 6 7

How would you totally assess the *Study conditions*?

Very dissatisfied Very satisfied

1 2 3 4 5 6 7

9. Listed below are several kinds of characteristics associated with ***Infrastructure*** of Economics faculty. Please indicate how satisfied you are with quality of each kind of characteristic by noting the appropriate number.

IT facilities (in corridor, library, classrooms etc.) are fully available.

Strongly disagree Strongly agree

1 2 3 4 5 6 7

Library services are adequate.

Strongly disagree Strongly agree

1 2 3 4 5 6 7

The extent of canteen services is sufficient.

Strongly disagree Strongly agree

1 2 3 4 5 6 7

Faculty interior (classroom interior) is attractive.

Strongly disagree Strongly agree

1 2 3 4 5 6 7

The faculty environment makes me feel comfortable.

Strongly disagree Strongly agree

1 2 3 4 5 6 7

How would you totally assess the *Faculty Infrastructure?*

Very dissatisfied Very satisfied

1 2 3 4 5 6 7

10. How would you totally assess your study in Faculty of Economics if you include all aspects of study mentioned before?

Very dissatisfied Very satisfied

1 2 3 4 5 6 7

11. Would you recommend to someone (friends, classmates etc.) participate in exchange program at the Faculty of Economics, Technical University of Ostrava?

1 Definitely Yes 2 Rather Yes 3 Rather No 4 Definitely No

12. Would you like to repeat your exchange program?

1 Definitely Yes 2 Rather Yes 3 Rather No 4 Definitely No